

**IN THE STATES OF THE ISLAND OF GUERNSEY
ON THE 13th DAY OF JUNE, 2019**

Adjourned from 12th June 2019

**The States resolved as follows concerning Billet d'État No X
dated 24th May, 2019**

POLICY & RESOURCES COMMITTEE

**REFORM OF HEALTH CARE FUNDING
P.2019/37**

VII: After consideration of the Policy Letter entitled 'Reform of Health Care Funding', dated 2 May 2019:

- 1) To agree that all functions of the Committee *for* Employment & Social Security in relation to health service benefits provided under the Health Service (Benefit) (Guernsey) Law, 1990 are transferred from the Committee *for* Employment & Social Security to the Committee *for* Health & Social Care.
- 2) To agree that responsibility for the provision of travelling allowance grant under the Social Insurance (Guernsey) Law, 1978 and the administration and management of the Travelling Expenses Assistance Scheme are transferred from the Committee *for* Employment & Social Security to the Committee *for* Health and Social Care.
- 3) To agree that statutory provisions relating to the provision of Medical Benefit, Specialist Medical Benefit, Physiotherapy Benefit and Alderney Hospital Benefit under the Health Service (Benefit) (Guernsey) Law, 1990 be repealed, and that provision of equivalent benefits and related services and contracts continue on a non-statutory basis administered and managed by the Committee *for* Health and Social Care.
- 4) To agree that the Health Service (Benefit) (Guernsey) Law, 1990 be amended to empower the Committee *for* Health & Social Care to determine by resolution or regulation all conditions and other matters relating to pharmaceutical benefit and the supply of medical appliances under the Law.
- 5) To direct the Committee *for* Health & Social Care to ensure that all policies relating to the prescription of treatments or appliances in the community are published on the States of Guernsey Website including:
 - a. details of approved treatments,
 - b. procedures for applying for new treatments to be added to the policy and details of how these will be assessed, and
 - c. procedures for appealing the policy decisions in relation to approved treatments.

- 6) To direct the Committee *for* Health & Social Care to review the processes for approving new drugs and treatment and providing prescribing advice to ensure there is consistent policy and approach to prescribing in primary and secondary care.
- 7) To agree that the statutory provisions relating to traveling allowance grant under the Social Insurance (Guernsey) Law, 1978 be repealed, and that provision of this grant and all related contracts continue on a non-statutory basis.
- 8) To direct the Committee *for* Health & Social Care to review and revise as appropriate the single complaints policy to incorporate complaints and appeals in respect of the services being transferred to it under the propositions of this Policy Letter, and to ensure that clear and accessible information relating to the same be published.
- 9) To direct the Committee *for* Health & Social Care to continue to provide services in respect of which the statutory basis is to be repealed, to a standard equivalent to that currently provided under the relevant legislation, and that any future review of the provision of these services be incorporated within the delivery of the Partnership of Purpose and aligned with the long-term objectives of the Policy & Resource Plan. Any changes must be subject to the same requirements for consultation and, if necessary, approval by resolution of the States of Deliberation as other services delivered under the mandate of the Committee *for* Health & Social Care.
- 10) To direct the Policy & Resources Committee to consolidate budgets for all relevant health benefits and related services referenced in this Policy Letter within the cash limit of the Committee *for* Health & Social Care to be met from General Revenue and to recommend cash limits for the Committee *for* Health & Social Care which take into account the expansion of its mandate.
- 11) To agree that:
 - a. no grant be paid from General Revenue to the Guernsey Insurance Fund;
 - b. the allocation of contributions to the Guernsey Insurance Fund, Guernsey Health Service Fund and Long-Term Care Insurance Fund be as set out in Table 6.1;
 - c. the Guernsey Health Service Fund Allocation be retitled the Guernsey Health Service Allocation; and
 - d. the Social Insurance (Guernsey) Law, 1978 be amended accordingly and to provide that the retitled Guernsey Health Service Allocation should be credited to General Revenue
- 12) To agree that the Guernsey Health Service Fund, as maintained under the Health Service (Benefit) (Guernsey) Law, 1990, be discontinued and the balance of the Fund be described as the Guernsey Health Reserve and transferred to be ring-fenced within the General Reserve.
- 13) To delegate authority to the Policy & Resources Committee to approve use of the Guernsey Health Reserve for the following purposes:

- a. to fund unanticipated expenditure pressures in providing health services that arise outside of the normal budgetary process and cannot be met within that year's budget of the Committee *for* Health & Social Care;
 - b. to fund revenue or capital expenditure on health transformation projects aimed at improving the efficiency, quality or capacity of health services in Guernsey which demonstrate long term benefits to the sustainability of Guernsey's health care system, subject to the same application process and governance conditions pertaining to the Transformation and Transition Fund or Capital Reserve;
 - c. to manage any transitional costs associated with implementing health-related transformational programmes; and
 - d. to fund revenue or capital expenditure on management of cost pressures developing within the health service provision over the long term associated with the aging of the population.
- 14) To agree that a transfer be made from the Guernsey Health Reserve to the General Revenue Reserve of the value of expenditure which has been incurred by General Revenue from 2019 onwards on specific measures introduced to address the orthopaedic treatment waiting list.
- 15) To agree that any transitional arrangements which are necessary to effect the transfer of the balance of the Guernsey Health Service Fund to the General Reserve (where it will be held as the Guernsey Health Reserve) must include a facility for the Guernsey Health Service Fund to recover any monies due to it at the date the statutory provisions relating to the benefits referred to in proposition 3 are repealed.
- 16) To direct the Policy & Resources Committee, in anticipation of the completion of the legislative and mandatory changes outlined in propositions 1 to 15 of this Policy Letter, to bring forward an Ordinance under the Public Functions (Transfer and Performance) (Bailiwick of Guernsey) Law, 1991 to transfer the functions of the Committee *for* Employment & Social Security set out in propositions 1 and 2 to the Committee *for* Health & Social Care.
- 17) To direct the Committee *for* Health & Social Care to obtain the agreement of the Policy & Resources Committee before committing to, or incurring, any expenditure additional to the 2019 budget (maintained in real-terms), in respect of any services currently funded from the Guernsey Health Service Fund or the travelling allowance grant until the legislative changes outlined in propositions 1 to 14 of this Policy Letter have been implemented.
- 18) To direct the Committee *for* Employment & Social Security to take into account within its annual Contributory Benefits and Contribution Rates Policy Letter any proposal from the Policy & Resources Committee to revise the contribution rates in order to change the allocation of contributions to the Guernsey Health Service Allocation.

- 19) To direct the Policy & Resources Committee in consultation with the Committee for Employment & Social Security to progress the second stage of the workstream, as described in section 10 of this Policy Letter, and review the structure of Social Security contributions collected for the support of health and social care services and ensure that these are appropriate, fair and sustainable, and to consider the prioritisation of this work stream for the new Assembly in the 2021-25 Policy & Resource Plan
- 20) To agree that the funding of disability-related equipment, aids and adaptations, under section 10 of the Income Support (Guernsey) Law, 1971 ('**section 10**'), is an area requiring transformation in order to be more structured, fair and effective, consistent with the principles of the Partnership of Purpose and of the UN Convention on the Rights of Persons with Disabilities; and
- 21) To direct the Committee *for* Employment & Social Security and the Committee *for* Health & Social Care, in consultation with relevant States Committees and other stakeholders, to review this area, and any associated services or schemes for the provision or funding of equipment, aids and adaptations which they may consider relevant, and to return to the States, no later than the end of July, 2022, with recommendations, which shall include a proposal to transfer the powers conferred by section 10 (or any proposed replacement scheme), and an associated general revenue budget, from the Committee *for* Employment & Social Security to the Committee *for* Health & Social Care.
- 22) To direct the preparation of such legislation as is necessary to give effect to the above decisions, including transitional provisions and consequential amendments to other legislation.

POLICY & RESOURCES COMMITTEE

SCHEDULE FOR FUTURE STATES' BUSINESS

P.2019/39

VIII: After consideration of the attached Schedule for future States' business, which sets out items for consideration at the Meeting of the 25th June 2019 and subsequent States' Meetings, to approve the Schedule subject to deleting the first item (P.2019/41 Requête – Island Development Plan) under the heading "Items for Ordinary Meeting of the States commencing on the 4th September 2019" and inserting the item immediately after item P.2019/43 ("Committee for Home Affairs – Independent Monitoring Panel: Re-appointments and Notification of Resignation") in paragraph (g) of "Items for Ordinary Meeting of the States commencing on the 17th July, 2019."

S M D ROSS

HER MAJESTY'S DEPUTY GREFFIER