

POLICY NOTE

THE NATIONAL HEALTH SERVICE (PAYMENTS AND REMISSION OF CHARGES) (MISCELLANEOUS AMENDMENTS) (SCOTLAND) REGULATIONS 2015

SSI 2015/333

The above Regulations were made in exercise of the powers conferred by sections 75A and 105(7) of, and paragraph 2A of Schedule 11 to, of the National Health Service (Scotland) Act 1978. The Regulations are subject to negative procedure.

Policy Objectives

The purpose of this instrument is to amend the National Health Service (Optical Charges and Payments) (Scotland) Regulations 1998 (“the 1998 Regulations”) and the National Health Service (Travel Expenses and Remission of Charges) (Scotland) Regulations 2003 (“the TERC Regulations”) to include earnings thresholds to determine the eligibility of claimants in receipt of Universal Credit to receive “passport” entitlement to assistance with various costs associated with NHS health services.

Background

Currently both the 1998 Regulations and the TERC Regulations allow for anyone on Universal Credit to be entitled to help with the cost of glasses, dental costs and travel to hospital. As Universal Credit continues to be rolled out, the decision has been made to introduce earnings thresholds to determine entitlement to these passported benefits.

A lower and higher earnings threshold are to be applied such that, broadly speaking, most people who currently qualify for these entitlements continue to do so, but at the same time the costs are broadly the same as at present. The lower and higher thresholds are for claimants without/with a dependent child or young person and/or disability respectively.

Regulation Amendments

Regulation 2 and 3 amend the 1998 Regulations and TERC Regulations to introduce the lower and higher earning thresholds for recipients of Universal Credit for entitlement to help with NHS health costs.

In respect of the TERC regulations, previous amendments made in 2013 included a provision for members of a couple who are not part of the Universal Credit claim. Changes to the Universal Credit Regulations have now removed the need for this provision. Regulation amendment (3(3c)) corrects this.

Regulation 4 corrects an earlier drafting error in a separate set of regulations, the National Health Service (Optical Charges and Payments and General Ophthalmic Services) (Scotland) Amendment Regulations 2015.

Regulations 5, 6 and 7 make saving provision to ensure that certain persons who will no longer be eligible for assistance, or entitled to remission of charges or payment of expenses, because of the insertion of the income thresholds described are able to receive all payments to which they are entitled, prior to the change in eligibility. In respect of the 1998 Regulations, regulation 5 allows for anyone who was issued with an optical voucher prior to 1st November 2015 to be entitled to use the voucher if it has not been accepted before this date. Regulation 6 of these Regulations will allow claims to be made for costs incurred prior to 1 November 2015, in relation to the purchase, repair or replacement of glasses, to be made within timescales specified in the 1998 Regulations.

In respect of the 2003 Regulations, regulation 7 of these Regulations will allow claims for remission of charges paid, or payment of expenses incurred, prior to 1 November 2015, to be made after this date within time limits specified in the 2003 Regulations.

Threshold Levels

The following threshold levels have been agreed in Scotland:

- a lower earnings threshold should be set at c. £435 per month for those getting Universal Credit with no child or work related activity element;
- a second higher earnings threshold to apply to those with a child or work related activity element should be set at c. £935 per month

Consultation

There has been no consultation carried out in Scotland. The Social Security Advisory Committee in England carried out a public consultation as part of a review on the impact of Universal Credit on passported benefits.

Equality Impact Assessments

An Equality Impact Assessment (EQIA) has not been undertaken at this time. Amendments are being made to ensure people in specific circumstances in receipt of Universal Credit may be provided with exemption from NHS health costs, following the increased roll out of Universal Credit.

Based on provisional modelling work from Department of Work and Pensions (DWP) the introduction of the thresholds could see an additional 40,000 people gain entitlement at the lower threshold level, while 10,000 people would lose entitlement at the higher threshold level (30,000 gainers and 40,000 losers). We continue to work with DWP and will review the impact of the threshold levels in 6 months.

The NHS Low Income Scheme remains available to help people with health costs if they do not qualify for exemption on other grounds.

Financial Effects

The purpose of the thresholds is to ensure as far as possible that the shift from passported benefits to Universal Credit is accomplished on a cost neutral basis.

The provisional modelling work from DWP also shows that in the absence of thresholds, Scotland would face a substantial and unaffordable cost pressure (i.e large numbers of people would qualify for Help with Health Costs that do not currently qualify). However, roll-out appears to be somewhat slower in Scotland than England, which may mitigate the impact in the short-term.

The impact of roll out of Universal Credit will remain under review.

Scottish Government
Population Health Improvement Directorate
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