Social Policy Series
October 2004

comhairle

The Medical Card

Affording Health on a Low Income

A Social Policy Report

information for all

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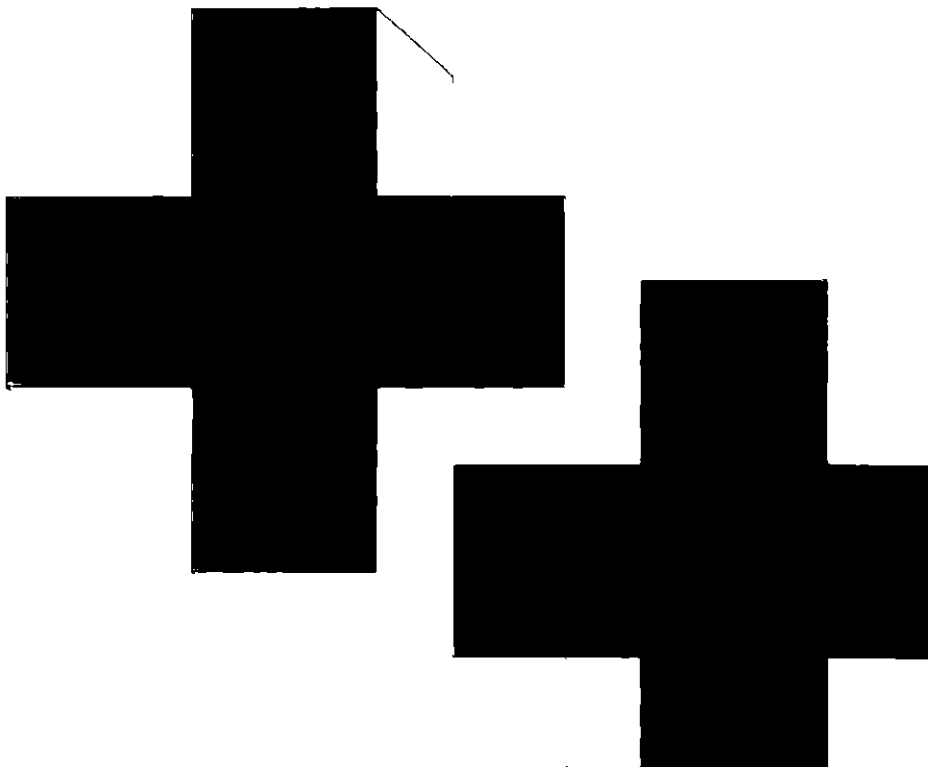
The Medical Card

Affording Health on a Low Income

Prepared by Ita Mangan

Based on feedback from
Citizens Information Centres around Ireland
and the Citizens Information Phone Service



INTRODUCTION

Comhairle was established in June 2000. Its brief is to support the provision of information, advice and advocacy services for all citizens. To this end, Comhairle is involved in the development of Citizens Information Services, including the development and support of the nation-wide network of Citizens Information Centres (CICs), the Citizens Information Phone Service (CIPS) and the Oasis Website (www.oasis.gov.ie).

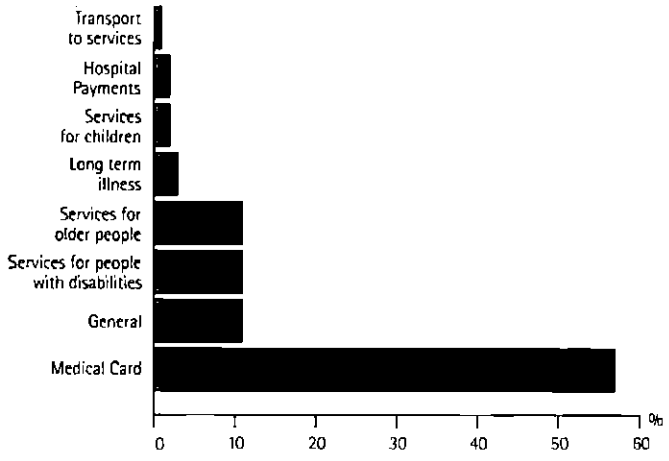
The agency has a statutory commitment to assist and support people, particularly those with disabilities, in identifying and understanding their needs and options and in accessing their entitlements. One of Comhairle's statutory functions is to promote and develop the provision of information on the effectiveness of current social policy and services and to highlight issues that are of concern to users of those services. In carrying out this function, Comhairle relies heavily on feedback from CICs based on the needs and experiences of users of the CIC service.

It is clear from an analysis of queries to Citizens Information Centres and the Citizens Information Phone Service that entitlement to a medical card is a major issue for a significant number of people. In 2003, a total of 605,524 queries were presented to CICs and the Citizens Information Phone service. The most recent survey of CIC queries[1] shows that 10% of queries were concerned with health services and that 57% of these involved entitlement to or issues about medical cards. So, it can be inferred that a total of approximately 34,500 queries from the public during 2003 were related to medical cards.

CICs identify queries with a social policy dimension and in 2003, 1,154 social policy reports were submitted to Comhairle. Eighty of these were health related and 45% of all health related case studies (36) concerned the medical card. In the first quarter of 2004, 56% of the health related case studies (14) received were about the medical card. Among these 50 case studies, 34 related to eligibility and means testing, 12 related to application difficulties and one each to doctors not accepting medical card patients, the hearing aid waiting list for medical card holders, hospital charges for medical card holders and appeals.

The Table below shows the distribution of queries in the health services category in the 10 CICs consulted for an in-depth survey of queries in 2003[2]. In the 2000 Survey[3], as in the current survey, queries relating to the medical card dominated health services queries, accounting for 47% in 2000 and rising to 57% in 2003.

Distribution of Health Services Queries



Medical card related queries were also the most important health service queries in all the 10 centres surveyed. Medical card queries ranged from 71% of all health service queries in Dublin Northside to 37% in Mayo.

[1] CIC Survey 2003, Comhairle, Dublin 2003

[2] Ibid

[3] CIC Survey 200, Comhairle Dublin 2001

Importance of the Medical Card to Families

While the precise value of a medical card depends on the circumstances of the holder, it is clearly the case that it is of particular importance to families with small children. It may well be that its perceived value is more than its actual value in money terms. Its psychological or security value may be high but it also has a high monetary value. It has been clear for some time that the loss of a medical card is a significant factor in the choices people make about moving from social welfare to employment or to back to education and employment schemes.

New income limits, particularly for those living with their families, mean that people whose only income is a social welfare payment may not qualify for a medical card. This was not the case in the past and social welfare payments were never designed to cover medical costs. People on low incomes, including people entirely dependent on social welfare, may now experience problems getting or retaining a medical card. As well as causing financial problems for these families, the absence of a medical card causes anxiety and may result in mothers in particular neglecting their own health problems in order to ensure that their children get any necessary medical care. Organisations such as the Society of Saint Vincent De Paul are often asked to help poor households pay medical costs.

People on low incomes are much more likely to become ill and to die younger than people on higher incomes. The relationship between low income and ill health is outlined in detail in "Health in Ireland - An Unequal State"[4].

The prevalence of medical card holders in an area is one of the factors which is taken into account when assessing disadvantage – for example, for the purposes of allocating extra resources to programmes to deal with educational disadvantage and for deciding on areas for development under programmes such as CLAR and RAPID. While this may not seem an immediate issue to families who are looking for a medical card, it is important for the future allocation of resources.

In this report, we outline the problems which people are experiencing with the medical card system as documented in social policy returns to Comhairle from Citizens Information Centres and the Citizens Information Phone Service and present options for improving the system.

Problems with the Medical Card System

The main problems with the medical card system are:

- Entitlement to a medical card is not clear and consistent
- The income guidelines are too low and are not linked to objectively established criteria
- The discretion available to health boards is not sufficiently publicised
- There is very little information available on how this discretion is exercised or on the numbers who have availed of it
- There is no independent appeals system

In order to improve the system, we recommend:

- Clarification of the legal entitlement to a medical card
- An objective assessment of the income required to meet GP and related bills

[4] *Health in Ireland, An Unequal State*, Public Health Alliance Ireland 2004 www.publichealthallianceireland.org

- An increase in the income guidelines to allow more low income families to qualify. This could be done for instance by having a link between the medical card guidelines and Family Income Supplement limits

- An income disregard for people with a disability in order to recognise the extra costs of disability

- The provision of better information on entitlement

- A statutory independent appeals system

1. ENTITLEMENT TO A MEDICAL CARD

Entitlement to a medical card is provided for in legislation but is also dependent on health board discretion and policy statements which do not have legislative backing. This means that entitlement is not clear or consistent.

The Law

Section 45 of the Health Act 1970 provides that adults and their dependants have "full eligibility" for health services if they are "unable without undue hardship to arrange general practitioner, medical and surgical services for themselves and their dependants".

The section gives the Minister for Health and Children the power to make regulations specifying a class or classes of people who may be deemed to meet this criterion. No such regulations have been made.

The Health (Miscellaneous Provisions) Act 2001 provides that people aged 70 and over are entitled to full eligibility. Some people are entitled to full eligibility because of EU Regulations on the social security rights of migrant workers (mainly Regulation 1408/71). This report is not concerned with these two groups of people as their entitlement is not subject to a means test or to the exercise of health board discretion.

The practice

In practice, people with full eligibility are given a medical card and are referred to as "medical card holders". Income guidelines for the award of medical cards are drawn up each year by the Health Boards Executive. These guidelines are not legally binding. People whose income is below the guideline figure for their circumstances get a medical card. In general, those whose income is above the guideline figure do not qualify. However, medical cards may be granted to people whose income is above the guideline figure in the following circumstances:

Hardship

Medical cards may be granted to people whose income is above the guideline amounts if they have particularly high medical expenses or if there is other evidence of hardship. The legislation clearly requires that hardship must be taken into account. Such hardship could arise from a number of factors of which medical costs are the most obvious. Hardship could also arise from social circumstances – for example, dependant spouses and children may not have access to money or families may face difficult psychological, psychiatric or other problems. It appears that health boards do take such factors into account. We know this from successful cases taken by CICs on behalf of individuals and from anecdotal evidence. However, it is not possible to establish precisely what factors are taken into account by each health board because the information they provide does not give details about this – see section on Information on page 12. Statistics are not available on the number of people whose income is above the income guidelines and who have medical cards because of "hardship".[5]

[5] The Minister for Health and Children said, in reply to a Dáil question, that "Information on the numbers of discretionary medical cards, that is, cards for persons whose income exceeds the guidelines but who have been granted medical cards, is not routinely kept by my Department."

Case Study 1

A 65 year old man called to the Centre. He has a small pension from a previous job. His wife already has the Old Age Pension. Both have medical conditions which necessitate ongoing medication. They have a medical card at present. The retirement pension would tip them over the income guidelines for entitlement to a medical card. The information worker explained that there is a degree of flexibility around the issue of cards to those above the limit. However the man was too fearful of losing the medical card and felt that applying for the Retirement Pension would jeopardise this.

The information worker comments;
"The Centre receives numerous queries relating to the medical card and the fear of its loss from those who appear most vulnerable."

Incentive to work or take up education and employment schemes

In the 1990's, the government decided that, in order to improve the incentive to work, people on certain job schemes and people returning to work after unemployment would be entitled to retain their medical card for a period. This decision was never underpinned by legislation (although the Minister for Health could have made regulations to this effect under Section 45 of the Health Act 1970). The implementation of this policy decision was difficult – this may have been because health boards did not consider that they had the necessary legal authority to implement it. The National Social Services Board (which along with part of the National Rehabilitation Board formed Comhairle in 2000), outlined problems with its implementation in virtually every Pre-Budget submission in the late 1990s. This policy decision is still in effect but many of the original beneficiaries have now exhausted their entitlement. It is clear from CIC queries that the retention of a medical card remains a very significant issue for parents going to work after unemployment and for lone parents taking up employment or back to work/education opportunities. Recently this has also become a problem for refugees and asylum seekers granted leave to remain in Ireland.

Case Study 2

The Citizens Information Phone Service received a query from a woman aged 60. This woman is a home owner with no mortgage. She works 10 hours per week over 3 days and receives Unemployment Benefit for 3 days. She is paid the minimum wage. She had been asked to work for 20 hours over the 3 day period and she was enquiring into how this would effect her entitlement to a medical card.

As her income would go over the income guidelines she would lose her entitlement to the medical card. The only applicable scheme in this situation is the Part Time Job Incentive but she is not eligible for this as her entitlement to Unemployment Benefit means that she had been working previously. She cannot take up the extra hours to improve her income as she is fearful of losing her medical card.

Case Study 3

A woman came to the Centre with a query about medical card eligibility. Her husband is on Disability Allowance. She is a qualified adult on her husband's claim and their weekly payment is €224.40. The income limit of €206.50 for a couple under 66 means that they will lose their medical card if she takes up any job. As her husband is on Disability Allowance the medical card is particularly important to this couple. The first €88.88 of this woman's earnings are not counted as means on the Disability Allowance claim. This is an incentive to work which is not matched by the loss of the medical card.

Case Study 4
A woman rang the CIC to enquire about medical card eligibility. Her husband is on Disability Allowance and she is a qualified adult on his payment. The payment is €224.20. He has a serious illness and is frequently in and out of hospital. The woman earns €25.40 for a few hours work a week and they were refused a medical card on these grounds. She now feels obliged to give up her part time job.

Extra Costs of Disability

A recent National Disability Authority Report[6], Disability and the Cost of Living concludes that "the additional costs incurred by any person depend on the extent to which they are eligible for Government assistance. In many cases this depends on whether they are a medical card holder". Disability Allowances at present are set at levels similar to Unemployment Assistance taking no account of the extra costs of disability, which a person on Unemployment Assistance does not incur.

In examining the policy options available the report notes; "One option to assist disabled persons would be an extension of the medical card eligibility. This could involve adding a disability "allowance" to the income limit when estimating whether a person is eligible for a medical card i.e. it would increase the income limit used for assessing medical card eligibility for disabled persons. Introducing an additional allowance for disability would then increase the number of disabled persons eligible for a medical card. This would help with a number of areas where most disabled persons incur significant additional costs.

The advantages of this would be twofold. First, it would help to improve employment incentives and could possibly increase the number of disabled persons in employment. Second, it would provide additional support to those disabled persons who do not have a medical card and who face additional costs of medicines, medical expenses and aids and appliances".

Case Study 5
A caller with significant medical needs enquired about entitlement to a medical card. He was not within the medical card guidelines.

The information worker commented;
"This person has to meet very significant medical costs. For example, he has to meet the first €78 a month for prescription items. People with significant medical conditions use their GP much more frequently generally and also require preventative inoculations for Flu and Pneumonia – all of which they must currently pay for themselves. Certain health board services such as chiropody and home help may not be available. In some cases, people who do not have medical cards may qualify but, in general, medical card holders have priority and in practice, the services may not be available to others. These are just examples of costs associated with disability that can be a huge extra expense on families".

[6] *Disability and the Cost of Living*, Indecon and the National Disability Authority 2004

Recipients of social welfare payments

People who are receiving the maximum amount of most social assistance (means tested) payments generally qualify for a medical card without a further means test. However, this is changing because social welfare payments have been increasing at a higher rate than the medical card guideline figures and, if current trends continue, it is likely that a number will have income above the guideline figures within the next two years.

People who are receiving social insurance payments have their means assessed to establish if they come under the guideline figures. Until very recently, anyone whose only income was a social welfare payment would qualify for a medical card. As is described below, increases in social welfare payments have been much greater than increases in the medical card income guidelines over the past ten years in particular. This has meant that people whose only income is a social welfare payment may not qualify for a medical card on the basis of the income guidelines. This has become a major problem since January 2002. The Minister for Health and Children has asked health boards to ensure that people do not lose their medical cards because of an increase in their social welfare payments. The Minister has given the following reply to a number of Dáil questions on this matter:

"I am conscious that increases in social welfare rates in recent years means that rates may exceed the income guidelines for a medical card. As a result my Department has written to the chairman of the CEOs' group on a number of occasions. The most recent contact was made on 5 November 2003. He was asked to advise the CEOs of my concern that medical card holders should not be disadvantaged by virtue of increases in social welfare payments announced in the budget. They were asked to ensure that increases in social welfare payments do not lead to medical card holders losing their medical cards by reference to the income guidelines. They were also asked to make every effort to ensure that both medical card holders and applicants are made aware that increases in social welfare payments will not disadvantage them when applying to hold or retain a medical card."[7]

It is clearly the policy of the Department of Health and Children that people should not lose their medical cards as a result of increases in social welfare payments. It is not clear that there is a policy which favours giving medical cards to everyone whose only income is a social welfare payment. The last part of the Minister's letter to CEOs suggests, but does not explicitly state, that people who do not already have medical cards should not be prevented from getting them because of increased social welfare payments. The Department recently told Comhairle (for the purpose of a Comhairle information publication on medical cards[8].

"If you have a medical card and the annual increase in your social welfare payment puts your income above the guideline figure, you should be able to keep your card. However, if you do not have a medical card and you apply when you retire and are on a social welfare pension, before age 70 you may not qualify if you do not pass the means test."

A policy which allows existing holders to retain their medical cards but refuses medical cards to new applicants on the same income would be arbitrary and inequitable. It would discriminate between one group of social welfare recipients and another. It would be very difficult to justify from a legal point of view as the hardship being experienced by the two groups would be the same.

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[7] From Dáil Report, 19 February 2004

[8] Information about Medical Cards, Comhairle, January 2004

This policy - whether or not it extends to applicants for medical cards as well as existing holders - is not being implemented at all in some cases and in an inconsistent manner in others. Queries to CICs show that people whose only income is a social welfare payment are losing their medical cards and that new applicants whose only income is a social welfare payment are being refused medical cards.

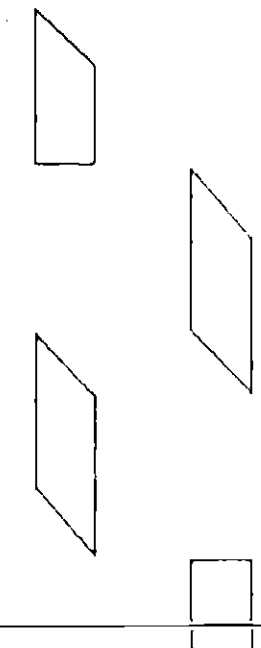
This is also the experience of TDs who frequently ask Dáil questions on the subject[9]. The Minister's exhortation to make holders and applicants aware of this situation does not seem to be implemented either - see section on information on page 12.

Recent evidence from CICs shows that people whose only income is a social welfare payment are being refused medical cards. In some cases medical cards are being granted on appeal as in the case of a couple who are both in receipt of Disability Allowance. However couples aged between 66 and 70 who are both receiving full Contributory Old Age Pensions are being refused.

Case Study 6

"A couple came into our centre. They have one child and both are on Disability Allowance giving them a total income of €286.40 per week. They have applied for medical cards and were refused on the grounds that their income was above the guideline limit, €232.50 for a couple with one child. We contacted the medical card section and informed them of the commitment from the Minister of Health that anyone whose sole income is coming from a social welfare payment would not be refused a medical card. They asked that we send this to them in writing. The couple were subsequently granted medical cards. If it were not for the intervention of the CIC they would not have received their medical cards."

Health boards say that recipients of the full rate of means tested payments qualify for a medical card without a further means test but clearly this was not applied here. The fact that a couple who are on Disability Allowance, which is the long term payment for people with disabilities, are above the income limit for a medical card shows how inappropriately low the income limit is.



[9] Dáil questions on medical cards constantly arise. Most involve individuals and these are referred to the relevant health board for direct reply to the TD. There have been a number of questions on the issue of the relationship between increases in social welfare payments and the loss of retention of a medical card - see, for example, Dáil Report, 29 January 2004, question 2602/04, when the Minister was asked "if it is still the policy of his Department that persons whose sole income is from social welfare qualify for a medical card regardless of the extent to which that income is in excess of the medical card income guidelines; if not, when did this policy change; if so, the reason persons in the Northern Area Health Board area are being refused medical cards when their only income is from social welfare; if instructions will be sent to all health boards outlining this policy in full; and if all benefit payments from the Department of Social and Family Affairs will be included in the schedule of qualifying payments as set out in the medical card guidelines for 2004".

Case Study 7

A caller on a FAS Community Employment Scheme was refused a medical card on the basis of the €60 extra travel allowance he was receiving. His income was €134.80 + €60.

The information worker commented;
"This is the same as being on a basic social welfare payment. It is a disincentive for people who want to get back to work."

2. MEDICAL CARD INCOME GUIDELINES

Legally, there is one criterion for qualifying for a medical card – the applicant's ability to pay for GP services for him/herself without undue hardship. It is reasonable to have a set of income guidelines for determining who should qualify but there has never been an objective assessment of the level of income which is required in order to be able to afford GP services, without undue hardship. Clearly, this level would vary in accordance with a person's need for GP services but it would be possible to establish a general level. An objective assessment of what constituted adequate social welfare payments was conducted by the Commission on Social Welfare in the 1980s. It is notable that this assessment assumed that medical costs would not be incurred by people who are dependant on social welfare – that is, it was assumed that people whose only income is a social welfare payment would have a medical card.

Medical card income guidelines were introduced in the 1970's partly, at least, in order to ensure that there was some consistency in the award of medical cards throughout the country. It is not entirely clear what criteria were used for establishing the initial guideline levels but they were set at a level considerably greater than the level of social welfare payments. Since then, they have been increased annually – generally by the rate of increase in the Consumer Price Index (CPI). Social welfare payments have been increased by more than the CPI – especially so in the past ten years. Earnings have also increased by more than the CPI so, inevitably, the number of people who qualify for medical cards has decreased.

The relationship between medical card guidelines and social welfare payments and the degree to which medical card income guidelines have deviated from the rates of social welfare payments can be seen from the following examples:

In 1993

The medical card income guideline for a married couple with two children aged under 16 was £146. The weekly social welfare rates for such a family were as follows:

Unemployment Benefit: £112.30
(77% of the medical card guideline)

Unemployment Assistance (long term) £116.50
(80% of medical card guideline)

Social Employment Scheme £132.50
(91% of medical card guideline)

In 2004

The medical card guideline is €258.50

Unemployment Benefit and
Unemployment Assistance: €257.80
(almost 100% of medical card guideline)

Community Employment Scheme €282.20
(109% of medical card guideline)

The current lack of coherence between medical card income guidelines and social welfare payments is illustrated by the following examples:

- The medical card limit for a single person living with his/her family is €127. This is less than the personal rate of the lowest social welfare payment (Unemployment Benefit, Unemployment Assistance and Supplementary Welfare Allowance) which is €134.80.

- A couple, each of whom is receiving Disability Allowance receive €269.60. The income limit for a married couple is €206.50.

- A couple with two children who are receiving UB, UA or SWA just qualify for a medical card. They receive €257.80 and the income guideline for them is €258.50. This means that, from January 2005, it is highly likely that they will be over the income guidelines. (According to exemption guidelines they should be able to retain the medical card but CIC experience is that this generally only applies on appeal).

- The personal rate of the Old Age (Contributory) Pension is €167.30 which is higher than the medical card income limit for the age group 66 - 70 (€156). A couple aged 66 -70 who are receiving a personal plus qualified adult rate of contributory pension get €296.50 a week while the medical card income guideline is €231.

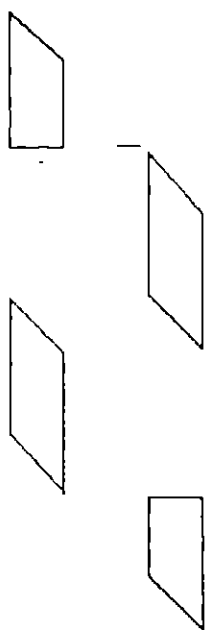
- A couple with two children qualify for the Back to School Clothing and Footwear Allowance if their income is less than €367.40. They are considered to be in need of assistance with these costs but may not be considered in need of assistance with medical costs.

- A couple with two children who earn less than €433 a week qualify for Family Income Supplement but not for a medical card (unless their earnings are less than €258.50). Their FIS is not taken into account in the means test but they would still not get a card.

Medical card guidelines and the cost of medical care

The medical card income guidelines are increased each year by the Consumer Price Index. However, medical inflation has been much greater in recent years than general inflation. One indicator of medical inflation is the cost of providing a medical card.

The costs of GMS services are assessed annually by the General Medical Services (Payments) Board[10]. The average cost of a medical card was £196 (€249) in 1993 and €679 in 2002. If we make the reasonable assumption that the cost in 2004 will be of the order of €700, then the cost of medical care rose by 181% between 1993 and 2004. The income limit for a couple with two children increased by just under 40% in that period.



[10] From the Annual Reports of the General Medical Services (Payments) Board; www.gmspb.ie

3. NUMBERS WHO HOLD MEDICAL CARDS

Even though the population is increasing, the total number of people covered by a medical card is declining. This means that the proportion of the population covered is declining significantly.

In the 1970s, the proportion of the population covered by medical cards was always just under 40% and generally between 38% and 39%. In 1987, 37.7% of the population had a medical card. In 1994, the proportion was just over 36%. Since then, both the numbers and the proportion of the population covered have decreased steadily (except for an increase in 2001 as a result of giving entitlement to everyone over the age of 70). Figures recently released by the Department of Health and Children in response to a Parliamentary Question from Deputy Breda Moynihan Cronin show that 100,000 fewer people were covered by the medical card scheme in September 2004 than were covered in January 1997. The Department of Health and Children figures show that in January 1997 there were 1.252 million people covered. By September 2004 this had fallen to 1.151 million or 28.49% of the population (CSO estimate of population at April 2004 was 4.04 million).

The fact that everyone aged 70 and over is entitled to a medical card without a means test means that the figures since 2001 do not accurately reflect the real decline in the numbers of low income people who have a medical card based on a means test. There are approximately 310,000 people aged 70 and over who have medical cards. It is not completely clear how many of these would have qualified for a medical card under the guidelines. For the over 70s, GPs receive higher capitation rates for former private patients or those in nursing homes – the numbers are around 90,000. If these are excluded, the percentage of the population covered by medical cards would be approximately 26.26%.

The Minister for Health and Children has said that "The reduction in the number of persons being covered by medical cards in recent years can be attributed in some measure to the rise in the numbers of persons in employment. Another factor was the data cleaning exercise which was carried out on medical card lists on health boards' databases. Since early 2003 this has nationally resulted in excess of 80,000 persons being removed from the registers. It should be noted that most of these deletions arose from normal medical card review activity[11]."

It is undoubtedly true that the increase in employment has contributed to the fall in the numbers qualifying for medical cards but the main reason is the failure of the income guidelines to keep pace with social welfare payments and earnings. It is not clear exactly what effect the "data cleaning exercise" has if most of the deletions resulted from normal review activity.

Health Strategy 2001

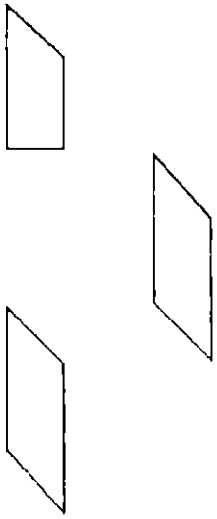
The 2001 Health Strategy "Quality and Fairness" includes a commitment that significant improvements will be made in the medical card income guidelines. The aim is to increase the number of people on low income who are eligible for a medical card and to give priority to families with children, particularly children with a disability. This commitment has not been implemented in 2002, 2003 or 2004 and, in practice, the number of people on low incomes with medical cards has declined.

[11] Dáil Report, 3 March 2004

4. COSTS OF NOT HAVING A MEDICAL CARD

The long term costs of being on a low income and not having a medical card are real though not readily quantifiable. Evidence from CICs that people - mothers in particular - are neglecting their own health because of the costs of attending a GP and related costs is corroborated by evidence from the Society of St Vincent de Paul and the Irish Medical Association. There is also evidence that people are not taking up part time or low paid jobs because of the potential loss of the medical card.

The immediate costs are easier to quantify. The Irish Medical Times survey carried out in Autumn 2003 shows that GP charges range from €25 to over €50; 47% of those surveyed charge between €30 and €39 and 38% charge between €40 and €49. Two visits to a GP would cost, on average, €80 and a family has to meet the first €78 a month of prescription costs. So, a family with children could easily find themselves paying €158 for medical costs in a month even if there is no chronic illness involved. Not having a medical card leads to other costs. Having a medical card means that a family does not have to pay for school transport or for Junior Certificate and Leaving Certificate fees and it is used as an indicator for qualification for assistance with school books.



As outlined above, the cost of a medical card per individual holder is likely to be of the order of €700 in 2004. The average cost per individual medical card holder is not, of course, the same as the value of the card to the holder. The precise value of a medical card is impossible to establish as it depends on the circumstances of the holder. The average cost is, nevertheless, an indicator of the value. So, while it is a crude measurement, it can be said that for a family of parents and two children, the average value of a medical card is of the order of €3,000 a year.

5. INFORMATION ABOUT MEDICAL CARDS

Under the Freedom of Information Act, Health Boards, like other public bodies, are obliged to provide information about the rules, procedures, practices, guidelines and interpretations they use for the purposes of decisions, determinations or recommendations in relation to schemes administered by them. This information is provided in the Section 16 Manual. Most public bodies publish their Section 16 Manual on their websites.

Few health boards provide all of this information in respect of medical card rules and decisions[12]. They do not all publish their Section 16 Manual on their website - there is no legal requirement to do so but it is clearly the most efficient way to provide information which changes frequently. The hard copy Section 16 Manuals are generally neither comprehensive nor up to date.

[12] Material available in March 2004 was examined

Most health boards have information in their Section 16 Manuals and on their website about medical card income guidelines and they have the application forms available on line. The forms (between six and eight pages long) do not provide information about how entitlement is decided. Most (but not all) have up to date information on the current guidelines and mention that hardship may also be taken into account. The information on entitlement is generally available under the FOI heading and is not included as routine information with the medical card application form.

Some FOI Manuals and websites include information about continued entitlement arising from going back to work or education but most do not. No website has information about the policy of not removing medical cards from people who might lose entitlement as a result of an increase in social welfare payments.

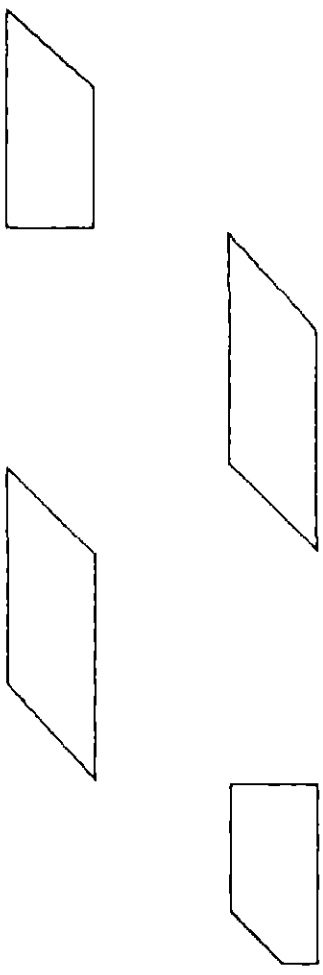
Most application forms mention that "Hardship Cases Are Dealt With Individually On Merit" but do not specify what constitutes hardship. Some websites or FOI Manuals give examples of people who may get medical cards if their income is above the guideline limits. Most mention that medical conditions can constitute hardship but do not give examples of specific medical conditions. One does state that terminally ill people may get a card where the income is up to £300 above the guideline limit and possibly even above this. (This information is dated from 2001). We are aware from CIC queries that people who are terminally ill do frequently get medical cards when their income is above the guideline limit but this is not widely publicised by health boards. Most health boards do not give information about other circumstances that may be taken into account but one does mention social circumstances and defines this as families where there are drink-related problems, poor living conditions, neglect, poor home management, isolation, etc.

6. APPEALS SYSTEM

There is no independent statutory appeals system for health services generally and this is a particular problem in the case of medical cards. Health boards have established internal complaints/appeals systems but these are not perceived as independent and people are not systematically informed of their existence and the right to make an appeal. The lack of clarity and consistency in entitlement leads to a perception of unfairness in the process and the absence of an adequate appeals system further exacerbates this view. There are statutory independent appeals systems for social welfare, taxation, agricultural grants and some education services but there is none for health services. Apart from providing redress, such appeals systems lead to greater clarity and consistency in entitlements and to improved administrative procedures in the operation of services.

CICs frequently appeal medical card decisions on behalf of their clients and they report long delays getting replies to their letters about individual cases. Many of the cases dealt with by CICs involve refusal of a medical card without adequate reasons being given and without providing information on the right to appeal/complain. Information on the right to appeal is not usually included in information about medical cards. Sometimes it is listed under services about which an appeal may be made but it is sometimes described as "GMS services", a term which is not widely used.

The 1994 Health Strategy, the 2001 Health strategy and virtually every Programme for Government during the 1990s promised that an appeals system would be introduced but this has not happened. The Minister for Health has recently said that he intends to introduce it in 2004 in the proposed legislation setting up the Health Services Executive.



7. RECOMMENDATIONS

The 2001 Health Strategy includes a number of proposals which would greatly improve the medical card system but, so far, none has been implemented. Apart from the proposal to increase the income guidelines and to introduce an independent appeals system (outlined above), it also proposes to have clear rules about the exercise of health board discretion when considering medical card applications, streamlining applications and improving the standardisation of the medical card applications process to ensure better fairness and transparency, providing clearer information to people about how and where to apply for medical cards, and proactively seeking out those who should have medical cards to ensure they have access to these services.

Comhairle has concluded that there is an immediate need to provide for:

- Clarification of the legal entitlement to a medical card
- An objective assessment of the income required to meet GP and related bills
- An increase in the income guidelines to allow more low income families to qualify. This could be done for instance by having a link between the medical card guidelines and Family Income Supplement limits
- An income disregard for people with a disability in order to recognise the extra costs of disability
- The provision of better information on entitlement
- A statutory independent appeals system

Clarification of legal entitlement

Legislation should set out that certain groups are entitled to a medical card. In particular, it should provide that recipients of the maximum rate of social assistance payments are entitled and that other people on the same level of income are also entitled. It could, for example, provide that everyone whose income is below the maximum rate of the highest social assistance payment would qualify. It could then provide that decisions would be made annually on the amount above that figure which would constitute the annual guideline. The right to retain a medical card when taking up back to work or education schemes should also be provided for in legislation. The legislation should also clarify the situation of young people aged over 16.

Objective assessment of income

The Department of Health and Children (or the Health Services Executive) should commission a study on the level of income required to meet GP and related bills without hardship. This could be an exercise similar to that conducted by the Commission on Social Welfare to establish the appropriate level of social welfare payments.

Increase in the income guidelines

The income guidelines need to be increased immediately - they can be adjusted again if the study mentioned above suggests this. For families with children, one way to approach this is to establish a link between the guidelines and the levels at which Family Income Supplement is payable. For example, if the guidelines were to be set at three quarters of the FIS limits, there would be a substantial increase in the numbers of families who qualify. A possible alternative is to establish a link with the limits for the Back to School Clothing and Footwear scheme.

Income disregard for people with disabilities

There should be recognition of the extra medical costs incurred by people with disabilities. For example, those who are entitled to the Long term Illness drug arrangements should be allowed an income disregard in recognition of the extra GP costs incurred.

Better Information on entitlement

Better information on entitlement requires greater clarity about entitlement. In the meantime, all health boards should highlight the discretion available, how to avail of it and how to appeal.

Statutory independent appeals system

Such a system is promised in the forthcoming legislation on the re-organisation of the health services. There should be an internal complaints system along the lines prescribed by the Ombudsman and a clearly independent appeals system along the lines of the Social Welfare Appeals Office or the Tax Appeals Commissioners. (This appeals system should be available for all health services and not only for medical card issues).

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