

Press release: Wednesday 18 February 2026

Current funding and expenditure model of the Health Insurance Fund is not sustainable without intervention

Comptroller and Auditor General (C&AG), Lynn Pamment CBE, has today, 18 February 2026, issued her report on the Health Insurance Fund

The Health Insurance Fund (HIF) provides financial benefits for medical and pharmaceutical services supplied by approved health professionals to people insured under the Health Insurance (Jersey) Law 1967.

In recent years there have been changes to the medical benefits funded from the HIF. As a result of these changes and other pressures related to the ageing demographic, the forecast in the Budget 2026 – 2029 is that the HIF will show a deficit for each year of the budget period. By the end of 2029, the balance in the HIF is anticipated to be £61 million which is less than one year's expenditure.

The C&AG's audit looked at governance and oversight of the HIF, overall HIF sustainability, HIF income and expenditure and the HIF risk and control framework.

Lynn Pamment CBE found that no clear plan of action has been developed for the HIF since the 2021 actuarial review despite the clear indication from the actuary that the fund is not sustainable. Instead a number of additional benefits and contracts have been funded through the HIF since 2021 causing additional pressure on the sustainability of the HIF.

Investment in new schemes and initiatives has resulted in ongoing improvements to the breadth of primary care services, as well as reducing the cost barrier to accessing primary care services.

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However, the C&AG's analysis suggests that new initiatives have been introduced without a full and consistent assessment of the long-term impact on the HIF and with insufficient consideration of resource and system implications. In addition, some initiatives lack the metrics to enable assessment of value for money following implementation.

The C&AG notes that, while contributing a significant part of the price of routine General Practice appointments, the Government has no locus in influencing primary care fees. There is no control to prevent general practices from increasing fees to neutralise the impact of increased benefits approved by the Minister for Social Security. The C&AG identified instances of fees being increased in excess of inflation in the period from February 2024 to July 2025.

The C&AG also reports that changes to the benefits paid from the HIF have added complexities to the supporting systems. She found that there is an inherent risk of errors and irregularities for practices and the Government in the current systems and processes.

Commenting on the findings of the audit, the C&AG Lynn Pamment CBE, said:

"There have been significant changes to expenditure funded from the HIF in recent years. These changes have removed some cost barriers to accessing aspects of primary care and funded improvements to the breadth of services offered by general practices and community pharmacies. This includes an emphasis on prevention and quality to benefit Islanders and ease pressure in other parts of the health sector.

"However, the HIF is not sustainable in its present form and there is no tangible plan for primary care in the context of a sustainable, integrated health care model for the future. The Government does not routinely assess value for money from new initiatives funded from the HIF and the changes since 2022 have increased the risk of overpayment from error or fraud."

The report on the Health Insurance Fund is available on the Jersey Audit Office website <https://www.jerseyauditoffice.je>

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Notes to Editors:

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- The remit of the C&AG includes the audit of financial statements, corporate governance, internal control and wider consideration of public funds, often expressed as 'value for money'
- The 2026 - 2029 Audit Plan can be found at: www.jerseyauditoffice.je
- Lynn Pamment CBE took up the Office of C&AG on 1 January 2020 for a fixed term of seven years. Following the introduction of the Comptroller and Auditor General (Jersey) Law 2014 the term of office is fixed at seven years and is non-renewable
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