



Department of Health & Social Care

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Health and Sport Committee
The Scottish Parliament
Edinburgh
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Dear Committee Members

Anticipated UK Healthcare (International Arrangements) Bill – Legislative Consent Motion

I am writing in response to a letter on 27 November 2018 to the Overseas Healthcare Team, Department for Work and Pensions (DWP OHT). This letter was referred to the Department of Health and Social Care (DHSC).

As stated in the letter, the Health and Sport Committee are expecting to be referred a Legislative Consent Memorandum for the Healthcare (International Arrangements) Bill. This Bill confers powers on the Secretary of State to fund healthcare outside the UK, to give effect to reciprocal healthcare agreements between the UK and other countries, territories or international organisations such as the European Union (EU), and to make provision in relation to data processing which is necessary to underpin these arrangements and agreements.

The Bill is part of the Government's preparations for EU Exit and will ensure that, whatever the outcome of EU Exit, the UK Government can make appropriate arrangements to support UK residents to obtain healthcare when they move to or visit the EU, European Economic Area (EEA) and Switzerland. The Bill underscores the UK Government's commitment to reaching an ambitious reciprocal healthcare agreement with the EU or where necessary making agreements with Member States and to exploring potential agreements with third countries.

In response to the questions you have raised:

- **How are costs reimbursed by the DWP/Department of Health to NHS boards (or NHS Scotland) for treating non-UK European Economic (EEA) individuals through the EHIC Incentive Scheme?** DWP OHT currently administer the European Healthcare Insurance Card (EHIC) scheme. The payment is 25% of the total State treatment cost. DHSC made an agreement with the Scottish Government in 2014 to pay incentive money directly to Scottish Health Boards. Healthcare costs incurred by Scottish residents in the EEA are covered by the DHSC reciprocal healthcare budget and currently administered by DWP. The administration of the service is transferring to NHS Business Services Authority (NHS BSA) and the transition of this work is due to be complete in April 2019.

- **How does the DWP/Department of Health collect the ‘charges’ for treating Scottish individuals who are resident in, studying in, or visiting an EEA country?** Reimbursement of costs depends on circumstances. The main categories are:
 - Temporary visitors presenting EHIC: Scottish residents who are visiting a country in the EU/EEA should receive needs arising treatment on the same basis as an insured person in that country. The EEA Member State will send an invoice to DWP who will undertake checks to ensure the UK is competent to pay and advise DHSC who will arrange for the monies to be paid to the Member State from the DHSC Reciprocal Healthcare budget.
 - Temporary visitors without EHIC and charged for treatment: Scottish residents who have made such payment while visiting a country in the EU/EEA should submit evidence to DWP, who will reimburse costs in accordance with the costs which would be covered in respect of an insured person in that country.
 - Permanent residents in an EU/EEA Member State: If in receipt of a UK State Pension or DWP Exportable benefit they can apply to receive treatment on the same basis as an insured person in that country by applying to NHS BSA for a healthcare eligibility document (S1). The Member State will send an invoice to DWP based on an “average” or “actual” cost depending on the country involved. DWP will undertake checks to ensure the UK is competent to pay and advise DHSC who will arrange for the monies to be paid to the Member State from the DHSC Reciprocal Healthcare budget.
 - Posted workers: If a Scottish resident is posted by a UK company to work in the EEA they can apply to HMRC for a healthcare eligibility document (S1). The Member State will send an invoice to DWP based on the actual cost of treatment. DWP will undertake checks to ensure the UK is competent to pay and advise DHSC who will arrange for the monies to be paid to the Member State from the DHSC Reciprocal Healthcare budget”.

I trust this information will be of assistance to the Committee.

Healthcare (International Arrangements) Bill Team
Department of Health and Social Care