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**REPORT OF THE STANDING PUBLIC ACCOUNTS COMMITTEE
ON THE REPORT OF THE OFFICE OF THE AUDITOR GENERAL
ON THE FOLLOW-UP ON PAST PAC RECOMMENDATIONS
- OCTOBER 2018**

1. REFERENCE

The Standing Public Accounts Committee of the Cayman Islands Legislative Assembly, established under Standing Order 77(1), met to consider the following Report prepared and submitted by the Auditor General:

The Follow-up on past PAC recommendations- October 2018

2. DOCUMENT CONSIDERED

In accordance with the provision of Standing Order 77(3), the Committee considered the following Auditor General Report which was referred in the House of the Legislative Assembly:

- Report of the Office of the Auditor General on *The Follow-up on past PAC recommendations- October 2018*

3. CHAIRMAN AND MEMBERS OF THE COMMITTEE

The following Members of the Legislative Assembly are the present Members of the Standing Public Accounts Committee: –

Hon. D Ezzard Miller, MLA – Chairman

Mr. Christopher S. Saunders, MLA – Member

Mr. Austin O. Harris, Jr, MLA – Member

Hon. Bernie A. Bush, MLA – Member

Ms. Barbara E. Conolly, MLA – Member

4. MEETINGS OF THE COMMITTEE

The Committee held four (4) meetings to consider the Report:

- (i) Thursday, 25th October 2018 (*Administrative Meeting*)
- (ii) Tuesday, 8th January 2019 (*Administrative Meeting*)
- (iii) Wednesday, 16th January 2019 (*Hearing*)
- (iv) Thursday, 17th January 2019 (*Hearing*)

5. ATTENDANCE OF MEMBERS

The attendance of Members at the meetings is recorded in the Minutes of Proceedings which are attached to and form part of this Report.

6. PERSONS IN ATTENDANCE

In accordance with Standing Order 77(8), the following persons were in attendance at the meeting held with witnesses on **Wednesday, 16th January 2019:**

- Mrs. Sue Winspear - Auditor General, Office of the Auditor General
- Ms. Angela Cullen - Director of Performance Audit, Office of the Auditor General
- Mr. Kenneth Jefferson- Financial Secretary & Chief Officer, Ministry of Finance and Economic Development
- Mr. Matthew Tibbetts - Accountant General, Ministry of Finance and Economic Development

The following persons were in attendance at the meeting held with witnesses on **Thursday, 17th January 2019:**

- Mrs. Sue Winspear - Auditor General, Office of the Auditor General
- Ms. Angela Cullen - Director of Performance Audit, Office of the Auditor General
- Mr. Kenneth Jefferson - Financial Secretary & Chief Officer, Ministry of Finance and Economic Development
- Mr. Matthew Tibbetts - Accountant General, Ministry of Finance and Economic Development

7. WITNESSES CALLED BEFORE THE COMMITTEE

In accordance with the provisions of Standing Order 77(4), the Committee invited public officers to give information and explanation to assist the Committee in the performance of its duties. The following persons appeared before the Committee to give evidence on **Wednesday, 16th January 2019:**

- Ms. Tamara Hurlston - Director - Needs Assessment Unit
- Mr. Matthew Hylton - Deputy Director - Needs Assessment Unit
- Ms. Teresa Echenique - Chief Officer - Ministry of Community Affairs
- Mr. Andre Ebanks - Deputy Chief Officer - Ministry of Community Affairs
- Ms. Sophy Banner - Senior Policy Officer - Ministry of Community Affairs

The following persons appeared before the Committee to give evidence on **Thursday, 17th January 2019:**

- Ms. Jennifer Ahearn - Chief Officer, Ministry of Health, Environment, Culture & Housing

8. PRACTICE AND PROCEDURE OF THE COMMITTEE (S.O 77(6))

The Committee agreed that in accordance with the provisions of Standing Order 77(6), all meetings at which witnesses were invited to provide information should be held in an open forum. This decision was taken to promote openness and accountability in Government.

9. PAC RECOMMENDATIONS

The Office of the Auditor General (OAG) published its first Follow- up on Past PAC recommendations in July 2017. The purpose of the report was to assess how well the Cayman Islands Government was implementing previous recommendations made by the Committee and the OAG.

9.01 The PAC endorses the recommendations of the Office of the Auditor General.

9.02 Social Assistance Programs:

1. Ministry of Health, Environment, Housing and Culture (MHEHC) should develop a housing strategy for the country that includes housing for low income families.
2. MHEHC should review the method for approving medical indigents and establish a post at the HSA to provide easier access.
3. The legislation to replace the Poor Relief Law should be brought to the Legislature as soon as possible.
4. The Ministry of Community Affairs should do a review of the staffing levels of the Needs Assessment Unit to determine that adequate resources are provided to deal with the workload.

9.03 Ensuring Quality Healthcare and a healthy population:

1. MHEHC should consider Canada as an option for Caymanian doctors to obtain specialty board certification.
2. MHECH should consider ways to reduce cost of Healthcare such as duty removal from drugs and medical supplies as well as reducing the HSA's 100% mark-up on the cost of drugs.

3. MHECH should publish the finding of the review of Health Insurance providers currently being conducted by the Health Insurance Commission.

10. GOVERNMENT MINUTE

The Public Accounts Committee wishes to draw Government's attention to Standing Order 77 sub-order 7 which reads:

"The Government Minute shall be laid on the Table of the House within three months of the laying of the report of the Committee and of the report of the Auditor General to which it relates."

The PAC expects the Government to honour the requirements of this Standing Order.

ACKNOWLEDGEMENT

The Committee is most appreciative of the efforts of the Auditor General and her staff in presenting very fair, comprehensive and informative Report and for the support, assistance and constructive advice given throughout its deliberations. The Committee also thanks the staff of the Legislative Assembly for the assistance provided.

REPORT OF THE COMMITTEE TO THE HOUSE

The Committee agrees that this report be the Report of the Standing Public Accounts Committee to the House on the following Report of the Office of the Auditor General: *The Follow-up on Past PAC Recommendations- October 2018.*

Hon. D. Ezzard Miller, MLA – Chairman

Hon. Bernie A. Bush, MLA – Member

Mr. Christopher S. Saunders, MLA – Member

Ms. Barbara E. Conolly, MLA – Member

Mr. Austin O. Harris, Jr, MLA – Member



Legislative Assembly of the Cayman Islands

PUBLIC ACCOUNTS COMMITTEE

MINUTES

Meeting held

Thursday, 25th October 2018 at 1:15 pm

Present: Hon. D. Ezzard Miller, MLA - Chairman
Hon. Bernie A. Bush, MLA - Member
Ms. Barbara E. Conolly, MLA - Member
Mr. Christopher S. Saunders, MLA – Member
Mr. Austin O. Harris, Jr., MLA - Member

Attendees: Ms. Manesa Webb - Committee Clerk
Mrs. Sue Winspear - Auditor General, Office of the Auditor General
Ms. Angela Cullen - Director of Performance Audit, Office of the Auditor General

1. Meeting to Order

There being a quorum present (Standing Order 77(2) refers), the Chairman called the Meeting to order at 1:15 pm.

The Chairman gave a brief welcome to Members and thanked them for attending the Public Accounts Committee ("PAC") Meeting. He also welcomed the Auditor General and thanked her and her team for attending.

2. Apologies

None.

3. Approval of Minutes

- Tuesday 11th September 2018 (*Meeting*)
The Committee agreed to defer the Minutes for the next administrative meeting.

4. Matters arising from Minutes

None.

5. Approval of Auditor General Invoice(s)

- *No. 207163 dated 30 September 2018 for the amount of \$86,180.66*

The invoice was **approved** on a motion moved by Mr. Christopher Saunders and seconded by Ms. Barbara Conolly.

6. Consideration of the OAG Report(s)

- *Follow-up on past PAC Recommendations – October 2018*

The Auditor General outlined the findings of this Report. During a discussion, the Chairman stated concerns relating to the June 2015 report on the National Land Development and Government Real Property and to a land transaction in his constituency.

The Committee **agreed** to hear evidence on this item. Dates were tentatively agreed and these are listed at item 9 below.

- *Review of the Cayman Islands Government Minute – The Government's Response to the Reports of the Standing Public Accounts Committee on the Reports of the Auditor General - June 2018*

The Committee **agreed** to defer consideration of this item to the next administrative meeting.

7. Auditor General's Update

During the meeting the Auditor General circulated and provided an update on the OAG Quarterly Report covering the period 1st July 2018 to 30th September 2018.

It was noted that the Customs and Border Control Bill and Immigration (Transition) Bill had been issued for consultation.

Concerns were raised by individual Committee Members about

- The performance of the Education Council (Chairman)
- Progress on the Fire Service
- RCIPS Overtime

8. Any Other Business

None. [Consideration of the report listed at item 8 on the Agenda has been minuted at item 6 above.]

9. Scheduling of Next Meeting

The next meetings are confirmed for:

- Wednesday, January 8th 2019 at 10:00 am (*Administrative Meeting*)
- Thursday, January 17th, 2019 at 10:00 am (*Tentatively Scheduled Hearing on Oct 2018 Follow-Up Report*)
- Friday, January 18th, 2019 at 10:00 am (*Tentatively Scheduled Hearing on Oct 2018 Follow-Up Report*)
- Wednesday, January 23rd, 2019 at 10:00 am (*Tentatively Scheduled Hearing on Oct 2018 Follow-Up Report*)

- Thursday, January 24th, 2019 at 10:00 am (*Tentatively Scheduled Hearing on Oct 2018 Follow-Up Report*)
- Friday, January 25th, 2019 at 10:00 am (*Tentatively Scheduled Hearing on Oct 2018 Follow-Up Report*)

10. Adjournment

There being no further business, the Chairman adjourned the meeting at 2:24 pm.



Legislative Assembly of the Cayman Islands

PUBLIC ACCOUNTS COMMITTEE

MINUTES

Meeting held

Tuesday, 8th January 2019 at 10:00 am

Present:

Hon. D. Ezzard Miller, MLA - Chairman
Hon. Bernie A. Bush, MLA - Member
Ms Barbara E. Conolly, MLA - Member
Mr Christopher S. Saunders, MLA - Member
Mr Austin O. Harris, Jr, MLA - Member

In attendance:

Ms Manesa Webb - Committee Clerk
Ms Da'Vina Ramoutar - Assistant Clerk
Mr Jonathan King - Deputy Clerk of Tynwald (Isle of Man)

Mrs. Sue Winspear - Auditor General
Ms. Angela Cullen - Director of Performance Audit, Office of the Auditor General

1. Meeting to Order

There being a quorum present (Standing Order 77(2) refers), the Chair called the Meeting to order at 10:25 am.

The Chair gave a brief welcome to Members and thanked them for attending the Public Accounts Committee ("PAC") Meeting. He also welcomed SW and thanked her and her team for attending.

The Chairman welcomed JK, who was attending as part of a two-week attachment arranged by the UK Commonwealth Parliamentary Association.

2. Approval of Minutes

- Tuesday, 11th September 2018

It was agreed that these minutes would be revised for approval at a future meeting. The clerks, Mrs. Sue Winspear and Mr Jonathan King would work together on the revision.

It was agreed that, in principle, minutes of the Committee's administrative meetings should record any formal decisions made by the Committee as a whole. However, discussions leading up to such decisions, and comments by individual Committee Members or officers in attendance, should normally only be included on the basis of an explicit instruction given by the Committee. These principles were particularly important in circumstances where the Committee was discussing confidential material, as had been the case on 11th September 2018.

▪ Wednesday, 24th October 2018

The following amendment was agreed by the Committee: at item 3, after the words "Hon. Gloria McField-Nixon, Acting Deputy Governor", to delete ", Portfolio of the Civil Service". The amendment having been made, these minutes were approved through a motion moved by Mr Christopher S. Saunders, and seconded by Mr Austin O. Harris.

▪ Thursday, 25th October 2018, morning

The following amendment was agreed by the Committee: at item 3, to delete the lines listing the identity of the witnesses. The amendment having been made, these minutes were approved through a motion moved by Mr Austin O. Harris and seconded by Mr Christopher S. Saunders.

▪ Thursday, 25th October 2018, afternoon

It was agreed that these minutes should be subject to the same treatment as the minutes of 11th September 2018.

The Committee confirmed its expectation that minutes and unedited verbatim transcripts of oral hearings would be circulated to Members of the Committee, and to Mrs. Sue Winspear, as soon as they had been completed.

3. Matters arising from Minutes

Mrs. Sue Winspear and the Committee requested a copy of the Hansard verbatim relating to Wednesday, 24th October 2018.

4. Approval of Auditor General Invoice(s)

- *No. 207167 dated 31 October 2018 for the amount of \$46,865.30*

The invoice was **approved** on a motion moved by Mr Austin O. Harris and seconded by Ms Barbara E. Conolly.

5. Consideration of OAG Reports

- *Fighting corruption in the Cayman Islands – November 2018*

Introducing this Report, AC said two issues in particular stood out. The first was the need to go beyond legislation and undertake preventative work. The second was the need to bring into force the Standards in Public Life Law.

There was a discussion about data monitoring and the publication of information by the Anti-Corruption Commission.

Public Accounts Committee Meeting Tuesday, 8th January 2019 at 10:00 am
It was agreed to invite the following witnesses to give evidence in relation to this report:

- Mr Richard Coles, Chair of the Anti-Corruption Commission Board;
- Ms Rosie Whittaker-Myles, Chair of the Standards in Public Life Commission Board;
- Mr Samuel Rose, Cabinet Secretary, Cabinet Office;
- Mr Robert Berry, Director of the Cayman Islands Financial Reporting Authority;
- Hon Franz Manderson, Deputy Governor/Head of the Civil Service.

The Committee wished to allocate one hour per witness with the exception of the Deputy Governor, who should come at the end and be allocated two hours.

For the proposed date of the hearing, see item 9 below.

It was noted that the information in this Report had been incorporated into the Report entitled "Follow-up on past PAC Recommendations – October 2018". Hearings on this Report were scheduled for the following week (see item 9 below).

6. Auditor General's Update

Mrs. Sue Winspear advised the committee that she expected to be able to report a surplus of \$450,000 to \$500,000 at year end.

Mrs. Sue Winspear also advised the committee that she anticipated that her Office would go into a peak period of activity on financial audit. She noted the following work nearing completion:

- a public interest report on board remuneration and senior salaries in SAGCs (expected to be completed by 18 January 2018);
- a review of the Office of the Auditor General itself (expected to be completed by the end of January);
- a performance audit on Customs (which might be completed by the end of February 2019); and
- a performance audit on all Government outsourcing (which might be completed by the end of March 2019).

7. Any Other Business

- *Review of the Cayman Islands Government Minute – The Government's Response to the Reports of the Standing Public Accounts Committee on the Reports of the Auditor General - June 2018*

There was a discussion of the question of whether the Committee's reports and the Government Minutes issued in response should be debated. No conclusion was reached.

The Chairman asked that the draft PAC Annual Report for 2017/18 be circulated to all the Members of the Committee and to the Auditor General.

There was a discussion of whether, and if so when and how, to investigate the expenditure incurred on the recent refurbishment of office space for the Ombudsman.

[Consideration of the report listed at item 8 on the Agenda has been minuted at item 6 above.]

8. Scheduling of Future Meetings

The next meetings were confirmed as follows:

- Wednesday, January 16th, 2019 at time to be confirmed (*Hearing on Oct 2018 Follow-Up Report on Past PAC Recommendations- October 2018, Appendix 4- Government Programmes: Supporting those in need (May 2015)*)
- Thursday, January 17th, 2019 at 10:00 am (*Hearing on Oct 2018 Follow-Up Report on Past PAC Recommendations- October 2018, Appendix 1-Ensuring Quality Health Care and a Healthy Population (January 2017)*)
- Friday, January 18th, 2019 at 10:00 am (*Hearing on Oct 2018 Follow-Up Report*)
- Wednesday, January 30th, 2019 at 10:00 am (*Tentatively Scheduled Hearing on Fighting corruption in the Cayman Islands*)

Noting that the opening of the Grand Court was scheduled for the morning of Wednesday, January 16th, the Committee asked that the witnesses for this date be contacted with a view to starting the hearing in the afternoon.

The Committee confirmed that the following dates, previously tentatively scheduled as hearing dates, were no longer needed:

- Friday, January 18th, 2019 at 10:00 am
- Wednesday, January 23rd, 2019 at 10:00 am
- Thursday, January 24th, 2019 at 10:00 am

It was agreed that if an administrative meeting were needed this could be held at the conclusion of the hearing on Wednesday, January 30th 2019.

9. Adjournment

There being no further business, the Chair adjourned the meeting at 11:35 am.



Legislative Assembly of the Cayman Islands

THE STANDING PUBLIC ACCOUNTS COMMITTEE

MINUTES of Meeting with Witnesses

Wednesday, 16th January 2019 at 1:06 pm

FOLLOW-UP ON PAST PAC RECOMENDATIONS – OCTOBER 2018

Present:

Hon. D. Ezzard Miller, MLA - Chairman
Mr. Christopher S. Saunders, MLA - Member
Hon. Bernie A. Bush, MLA - Member
Ms. Barbara E. Conolly, MLA – Member
Mr. Austin O. Harris, Jr., MLA - Member

Attendees: Ms. Manesa Webb, Committee Clerk

Mrs. Sue Winspear - Auditor General, Office of the Auditor General
Ms. Angela Cullen - Director of Performance Audit, Office of the Auditor General
Mr. Kenneth Jefferson, Financial Secretary & Chief Officer, Ministry of Finance and Economic Development
Mr. Matthew Tibbetts - Accountant General, Ministry of Finance and Economic Development

Witnesses:

Ms. Tamara Hurlston - Director - Needs Assessment Unit
Mr. Matthew Hylton - Deputy Director - Needs Assessment Unit
Ms. Teresa Echenique - Chief Officer - Ministry of Community Affairs, Youth and Sports
Mr. Andre Ebanks - Deputy Chief Officer - Ministry of Community Affairs, Youth and Sports
Ms. Sophy Banner - Senior Policy Officer - Ministry of Community Affairs, Youth and Sports

1. Meeting to Order

There being a quorum present (Standing Orders 77(2) refers), the Chairman called the Public Accounts Committee Meeting to order at 10:15 am.

2. Welcome

The Chairman gave a brief welcome to Members of the Committee and thanked them for attending the Public Accounts Committee (PAC) Hearing. He also welcomed and thanked Mrs. Sue Winspear, along with Mr. Kenneth Jefferson and Mr. Matthew Tibbetts.

The Committee was advised that they would be dealing with the Auditor General's Report entitled, *Follow-up on Past Pac Recommendations – October 2018*.

Review of the Follow-up on Past Pac Recommendations

▪ *Follow-up on Past Pac Recommendations – October 2018*

The Chairman invited the witnesses, Ms. Tamara Hurlston and Mr. Matthew Hylton to the Chamber. Administration of oath was administered and thereafter, the witnesses were welcomed and thanked by the Chairman for attending the meeting, and told to state their name and title for the record.

The floor was then opened by the Chairman for Members of the PAC to question the witnesses.

Discussion ensued with questions being asked to the witnesses by the PAC members. Before departing the Chamber, Ms. Tamara Hurlston and Mr. Matthew Hylton were again thanked by the Chairman.

The Chairman invited the next witnesses, Ms. Teresa Echenique, Mr. Andre Ebanks and Ms. Sophy Banner who were administered the oath, and again, welcomed and thanked by the Chairman for attending, with a reminder to state their names and titles for the record.

Discussion ensued with questions being asked to the witnesses by the PAC members. Before departing the Chamber, all of the witnesses were again thanked by the Chairman.

3. Any Other Business:

There was no other business on the agenda.

4. Scheduling of Next Meeting

The next meeting with witnesses was confirmed for:

- Thursday, 17th January, 2019 at 10:00 am.

5. Adjournment

There being no further business, the meeting was adjourned at 4:05 pm.

**OFFICIAL VERBATIM REPORT
STANDING PUBLIC ACCOUNTS COMMITTEE
WEDNESDAY
16 JANUARY 2019
1:12 PM
*Meeting with witnesses***

“FOLLOW-UP ON PAST PAC RECOMMENDATIONS—OCTOBER 2018”

Verbatim transcript of the Standing Public Accounts Committee meeting held 16 January 2019, at 1:12 pm, in the Chamber of the Legislative Assembly Building, George Town, Grand Cayman.

PAC Members

Present: Hon. D. Ezzard Miller, MLA, Chairman
Hon. Bernie A. Bush, MLA, Member
Mr. Austin O. Harris, Jr., MLA, Member
Mr. Christopher S. Saunders, MLA, Member
Ms. Barbara E. Connolly, MLA, Member

In attendance: Mr. Kenneth Jefferson, Financial Secretary & Chief Officer, Ministry of Finance and Economic Development
Mr. Matthew Tibbetts - Accountant General, Ministry of Finance and Economic Development

Audit Office: Mrs. Sue Winspear - Auditor General, Office of the Auditor General
Ms. Angela Cullen - Director of Performance Audit, Office of the Auditor General

Witnesses: Ms. Tamara Hurlston, Director, Needs Assessment Unit
Mr. Matthew Hylton, Deputy Director, Needs Assessment Unit
Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs
Mr. Andre Ebanks, Deputy Chief Officer, Ministry of Community Affairs
Ms. Sophie Banner, Senior Policy Officer, Ministry of Community Affairs

[Hon. D. Ezzard Miller, Chairman presiding]

The Chairman: Good afternoon everyone.

Please let record show that we have a quorum present and the meeting is called to Order at 1:06 pm. *[sic]* This afternoon we are reviewing the update by the Auditor General and previous PAC recommendations and we are dealing first with the Government programme supporting those in need. Our first witness is going to be Ms. Tamara Hurlston. So, I would ask the Serjeant to please bring her in.

Mr. Austin O. Harris, Jr.: Mr. Chairman, as is the usual custom, I wish to declare a conflict in my present capacity as temporary Minister for the Ministry of Community Affairs appearing before us today and as such, recuse myself from active participation in today's proceedings. However, I will, as usual, request humbly of the Chair, that I be allowed to remain within the Chamber as a bystander, to listen to it.

The Chairman: Request granted and appreciated.

NEEDS ASSESSMENT UNIT

**ADMINISTRATION OF OATHS
OR AFFIRMATIONS**

Ms. Tamara Hurlston, Director of the Needs Assessment Unit: Tamara Hurlston, Director of the Needs Assessment Unit.

I swear by Almighty God that the evidence I shall give in this honourable Legislative Assembly, shall be the truth, the whole truth, and nothing but the truth.

The Chairman: Thank you.

Mr. Matthew Hylton, Deputy Director, Needs Assessment Unit: Matthew Hylton of the Needs Assessment Unit.

I swear by Almighty God that the evidence I shall give in this honourable Legislative Assembly, shall be the truth, the whole truth, and nothing but the truth.

The Chairman: Thank you, sir.

[Pause]

The Chairman: First of all, let me thank you, Ms. Hurlston for accepting our invitation to come and give evidence before the Committee, and also for bringing along Mr. Hylton. You have been here before. The format is, that when you answer the first question for the record, just give your full name and your title. You do not have to give it before each answer, just the first time.

I will open the floor for questions.
Mr. Saunders.

Mr. Christopher S. Saunders: Thank you, Mr. Chairman. Through you, sir, I would like to welcome Ms. Hurlstone and Mr. Hylton to this Committee.

I think one of the things that we just want to make clear from very early, at least from my line of questioning, is that the public gets a very clear understanding of what the NAU [Needs Assessment Unit] does, because, there are times, when I am speaking to members of the public, I realise that some social programmes that should be in DCFS [Department of Children and Family Services], everything is being lumped into NAU, to some extent, and I think it is important for the public to kind of understand the reason why NAU was created.

Through you, Mr. Chairman: Is it possible to ask the witness first to briefly explain the purpose of the NAU and exactly what the mission, objective or goal is, so that the public can have a better understanding of what it is?

Thanks.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Tamara Hurlston, Director, Needs Assessment Unit.

The goal of the NAU: it was created in 2013 to deal with the financial aspect of welfare. Prior to NAU, Department of Children and Family Services, was actually dealing with both the welfare and the social services for the country. During that time it was noted through a review done in 2010, that there should be a separation of the financial services from the social side of DCFS; reason being that social workers were not able to do true social work and be able to provide programmes, because they were dealing with all the welfare matters.

The NAU was then established in 2013. The idea behind that was that it would allow the social workers to be able to do intervention in the communities and proper social work without having to be bothered with the financial aspect. That was the reason why the Needs Assessment Unit was created.

Mr. Christopher S. Saunders: Just going from memory, last year this honourable House, in particu-

lar, Finance Committee in the House, voted additional funds for NAU in terms of processing. One of the things that really also jumped out last year was the amount of money that we spent on health care with regards to indigent, seamen and veterans. I think it is NGS-55, if my memory serves me right, in that line item. Some of the things we are curious of, in terms of overall budgeting and financing regarding the whole health care cost are: What has been happening in NAU? 1) You needed more money and 2) What it is that we need to do differently or that the public needs to be aware of? And for us, as policy makers, what is it that we need to change to make things a little different or a little better or more efficient to the public?

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: Well, from the aspect of the health care, we do not make the payments, we just do the assessments. NGS-55, correctly so, is for indigent medical but it is handled by the Ministry of Health, so they would be able to answer more to the cost side of things.

What I could provide is the assessment side of things because the Needs Assessment Unit conducts the assessments on behalf of the Ministry of Health, the Department of Children and Family Services and then makes a recommendation to the Minister on whether or not someone should be approved for health care indigent services. The Minister ultimately makes the decision.

With that being said, in regards to assessments, this is not something that was calculated into our resources when we were established. The idea is that we would have been providing services that we currently pay for such as poor-relief, food, housing, et cetera. But the onset of the indigent medical, we have actually provided assessments to 527 persons in 2016, 422 in 2017 and 405 in 2018. Those are persons that came strictly for indigent medical, that we were able to assess and pass the information on to the relevant parties to make the decision. We do not do the costing but it does take away a lot of our time and resources because, the assessment officers are now focusing on areas which are not in our budget or ambit to be doing. So, that is one of the issues we have with our resources being spread thin amongst the services that we provide and also with the indigent medical.

Mr. Christopher S. Saunders: Thank you very much.

In terms of the assessment, between the . . . well, the almost 1,400 over the three years you mentioned, are those individual cases or, in some cases, there was a repeat from each year?

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: Some might be repeats but overall, since we have started doing the indigent medical assessments in our database which we have had since July 2015, it

is 1,080 individuals altogether, between 2015 July to December 2018.

Mr. Christopher S. Saunders: If you were to hazard a guess, what would that number be prior to?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Honestly, I would not know that information. It would be with DCFS who handled the information previously but the numbers jumped for several reasons. The main reason the numbers jumped was because HSA actually rolled out an initiative, I think it was in 2015 when they decided that everyone had to be assessed. If they did not have insurance and they were Caymanians (you might see the posters up at HSA), you had to go to the Needs Assessment unit to be assessed. That triggered a big influx of individuals coming in for indigent medical and for assessments. So, I would say that the spike happened in 2015 once health insurance was mandatory and they sent Caymanians through to the NAU to be assessed for indigent medical.

Mr. Christopher S. Saunders: Mr. Chairman, just give me a little room to frame the question.

When I look within the private sector and considering that the pension contribution is 10 per cent, it means then, that over a 10 year period you get basically 100 per cent of your salary. So, for every 10 years, you pretty much earn one year's salary. If the average person is working for 40 years, it would mean that they would have earned four years of salary. Even if you were to double your investment that you have generated, eight years of salary, and when you consider that the mortality rate for men in this country, the last time I checked, was 79 and for women it was 84. It would mean then, that if we are retiring people or forcing people out of the workforce at 65, a man would need 14 years' worth of salary and a woman would need 19 years' worth of salary. But in essence, they are only generating eight years' worth of salary, in a nutshell, from the private sector. So then, for me, it begs the question: What happens when their pension runs out?

On top of that, going back to the budget session that we had last year, I remember the CEO for CINICO at the time, saying to us that the true cost of insuring a senior citizen is roughly around \$1,300 to \$1,500 per month. Then considering that within the private sector's pension, the maximum that you can draw is \$1,080 per month, it means then, just using today's numbers that a person from the private sector going to retire, pretty much their pension that they are getting would not be able to even pay the true or proper cost of the health insurance, much-less what they would need to live.

To preamble to all of that to ask the question: What analysis or what data have you guys collected to see directly the root cause of the people that are com-

ing into NAU? For me, it is simple maths; at some point, the money is going to run out in terms of the private sector pension. When I look at even NGS-55, the original budget started at \$10.8 million, and, I think, it finishes at \$25.4 million when the dust has settled after two more increases. This is not something that is sustainable within the country. Then the question is: What analysis have you guys done to basically provide the Minister with what he would need to do to probably change the policy?

Ms. Tamara Hurlston, Director, Needs Assessment Unit:

Well, it is a statistical data in regards to indigent medical would actually be held with the Ministry of Health, and also, I think it is the Insurance Commission, Mr. Mervyn Connolly, because he actually keeps track of all the indigent medicals. So medicals that would have been granted prior to the existence of NAU would all be captured there. Some medicals were granted permanently, and therefore persons never had to come back to be reassessed. We only captured the new persons that came on within the timeline that NAU has been there. So, there are actually a lot more persons than what I have just said that may be on indigent medical, but I do not have that information; that is captured somewhere else.

In regards to what trends we see with our services period, which would also include housing and insurance; that we have an aging population and that means a lot of our elderly are coming in for health care and they are coming in for other services. As you rightfully stated, pension in itself in the private sector is limited. So, in most cases, you have a final draw down at some point in time. What happens to that elderly person when once that happens is they come into the Needs Assessment Unit for services.

We have poor relief, which is a \$750 stipend that we give to our elderly and permanently disabled; that has become more of a demand over the years because elderly persons are finding it hard to be able to sustain themselves even on the minimal pension that there are receiving. So, we have seen an influx in elderly persons coming into the office, in addition to other clientele, but the elderly is one of our clients that we see as demanding more services. Unfortunately, unlike the able-bodied, they are not able to go out there and get another job. They are there, so the country has not decided what is best to do with them and unfortunately, it means more services through the NAU.

Mr. Christopher S. Saunders: The only thing I would probably say is that I know many 65 year olds that are still able-bodied, but one of the biggest barriers to them obtaining employment is that when we look at small businesses, and again, when we consider \$1,300 to \$1,500 per month premium for elderly persons on the health insurance side versus \$200 to \$300 for a person who is much younger, then, we

have created a system where we are literally encouraging discrimination against senior citizens in this country. I think for us, it is an issue that needs to be addressed.

One of the things I want to touch on is in terms of housing that we had to vote additional monies on and it is becoming an issue. One of the issues that even popped up during the whole mortgage issue is that NAU would be willing to help someone in terms of paying rent, but of course, as long as they were basically in a different house, they wouldn't happen to pay mortgage now. I do understand the differences between the two, where one is building equity versus something else but the bottom line is that once you are making a payment, you are making a payment somewhere.

The question is: What do you see in terms of the trend because it is something that seems to be increasing every year? And I do recognise from media reports that there were challenges in terms of obtaining some places to stay where some people ended up in hotels. So, the question is: What ultimately do you see as a solution because, again, this is not something that we can just allow to continue?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: What we are seeing is with the increase in interest rates. Naturally, that means that landlords that have rental properties that are mortgaged, they are also increasing the rent; that is one of the main factors.

In addition too, we do have a clientele that in some cases have social issues, and landlords discriminate. For instance, we serve mental health clients, and that in itself is a challenge, and for a landlord to take on a client with certain issues, they may be hesitant. Also, we have clients that may have children and that is also one of the issues that we find with landlords not wanting to take on some of our clients that have larger families.

In addition, some clients unfortunately, having a reputation of destroying property, and because our practice is not to pay deposits (because you know, our budget is limited, so in most cases, we cannot afford it), landlords are at a loss if their properties are damaged by a client and then they move on because they have no means to pay for it.

So, those are some of the challenges, and unfortunately, the good suffers for the bad, because landlords paint NAU clients with a certain reputation and that has become a challenge. However, what we have done to aid the landlords recently, we started direct deposits in October which we have piloted for some of our landlords and we are hoping that in the near future that will be something that we can offer for the landlords and some of our other vendors that provide services to our clients.

In regards to the housing issues for our clients and not having available rentals, I think eventually,

something will have to be looked after. We need a housing strategy for the country and maybe something through the National Housing Trust (NHT). We did a visit last year where the Deputy Chief Officer and I went to Bermuda and their Housing Trust actually takes care of the welfare clients to find places for them to rent. So, they are basically going out and locating the places and making sure that they are fit to rent and then securing these properties for the clients. I think that would be something that maybe the Government can look into in the future.

I know the Ministry is coming up after me and I also know the Deputy Chief Officer is actually Chair on the Housing Committee and he has done some work on investigating housing issues, so he may be able to provide more of an answer. I do not think that the way we are doing it now is going to be sustainable for the same reasons—landlords being hesitant to rent to the Needs Assessment Unit clients et cetera. So, I think a long term strategy will have to be developed and it is something hopefully, I assume the Government will be looking at in the near future because it is going to become more and more challenging.

As you know, interest rates went up in December and in January and it is expected to go up another two to three times for this year and our cap on rental right now is \$1,200 and we are struggling to find places; our clients are struggling to find places at \$1,200 to accommodate families. So naturally, I can say from now, we will be back for additional funding for NAU services because I foresee as we did last year, we will run out of funds.

Mr. Christopher S. Saunders: So, a quick question: the current system, in terms of locating a house now, who does that? Because going back to your earlier answer to the question, in terms of what it is your department does, there is a financial assessment. Is it that you guys are also going out now to find accommodations for people, or, is that something the clients do and then they come to you guys?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Well, we would not have the manpower to do that. They sometimes ask us to do that on behalf of the clients. Unfortunately, with the Officers that we have, we are trying to keep up with assessments so we cannot play real estate agents also. The responsibility is actually on the client to find somewhere and also to sign a lease. So, the lease is between the client and the landlord, not between the government or the NAU and the landlord.

What the NAU does is, once you have secured a place, we guarantee a payment for a period of time and we guarantee a certain amount for a period of time, but it is up to the client themselves to find a place to rent, for several reasons. In the past, government under DCFS did actually go out and look for apartments and made commitments to landlords and,

due to destruction it cost government quite a bit of money. So, we then revamped the process and said it is a lease between the landlord and the tenant and all government is doing is basically providing a guarantee of payment for a period of time.

Mr. Christopher S. Saunders: Earlier you had mentioned 1080 clients that you assessed in terms of health care. Out of curiosity, what was the total amount of assessments were you talking about at NAU?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: I do not have the assessment numbers right now but I will give you an example. A person can come back more than once for the year to be assessed for indigent medical. If you are elderly, it is usually one time because we are waiting on bank checks. There is a process that we have to go through including seeing if you have any funds to provide health care to yourself. But in the case of someone who is under the age of 60, usually the Department of Children and Family Services would recommend a period of three to six months. Once that period is up, if you should be in need for services again, whatever ailment you had at that time, you have to come back to be reassessed. So, an individual could be reassessed more than once during a year. But the numbers I provided to you were based on actual persons. So, that is not assessments. Naturally, the assessments would actually be higher than the persons.

So, for last year, for instance, it was 405 individuals assessed but some of them could have been assessed multiple times.

Mr. Christopher S. Saunders: Okay.

The Chairman: On the question from Chris about the indigent health care: Have we changed the requirement for the Ministry of Health to sign-off on people getting indigent health care?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Within the last two days I was informed by the Chief Officer that there has been some traction there. There has been a meeting with the Ministry of Health with the Chief Officer to look back at the idea of health care reverting possibly to that Ministry. She may be able to provide more on what happened in the meeting; I was not a part of the meeting. But what I was informed of is that they are looking into that and the possibility of stationing NAU Officers over at the Ministry of Health.

I do not know if you recall back in 2016 or 2017, there was mention of officers actually being at the HSA to provide assessments for persons needing indigent medical. That was a suggestion we made previously; it kind of lost traction. But the idea is that if you are at the hospital and only need indigent medi-

cal, then, HSA, having their own assessment officers, would essentially be part of their finance team perhaps, because basically you are doing a means test and they could do that for their clientele right there, on the grounds at HSA. Not all persons who are coming for indigent medicals are actually also applying for welfare services.

The Chairman: So, you are suggesting that the commitment to establish a position at the HSA some three years ago, to do indigent assessment and the removal of the requirement for the Minister himself to sign off on it has not happened?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: No, it has not. The Chief Officer, once she comes on, can give you more details in regards to the traction that has been made.

The Chairman: Okay.

You have established criteria to certify somebody as being indigent.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Correct.

The Chairman: Is that a complicated formula that only NAU people can do? Or, is it something that, as you suggested, an accounts officer or the admitting officer at the hospital . . .

My concern is the patient who shows up at the hospital ill, does not have insurance and the decision is made to send him to the NAU. They have to find transportation to get to your office to get the assessment done, which could take you more than a day because you have to check certain documentation and—

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Well, I will actually say this: if it is an emergency, it is sent through the Referrals Office at HSA. So, the client does not have to come to the NAU. The Referrals Office actually will take the minimal data, whether it is a copy of their ID, try to establish whether the person is Caymanian, and that is all we need. We send that straight on because it is an emergency. It is something that has to be dealt with right away. But if it is for health care that is not necessarily dire at that moment, they send them through to the Needs Assessment Unit to do.

The Chairman: But in most medical institutions emergency is defined as a threat to limb or life. I am concerned about the little old man who comes all the way from North Side by bus, or some family member drops him off at the hospital, because he has to get his regular check-ups and he is told he has to find transportation from there to your office and he may be denied health care that he needs. While it is not an emergen-

cy in the strict definition of the word, it is an emergency in his mind.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: That would be something that the Ministry of Health would be able to answer, sir.

The Chairman: Have you considered making a recommendation to the Ministry that the Government looks at building some kind of social housing to which you would have access, in which they could build in the kind of difficult to destroy, you know; like 6 inch block walls instead of sheet rock, as an alternative to not being able to provide housing for people.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Previously, and once the Deputy Chief Officer comes up, because we have had discussions about this and he will be able to explore more, but it has been mentioned in the past, as we have this crisis with rental and having our clients being placed elsewhere. We were taking advantage, at one point in time, of the National Housing Trust homes that were there originally for sale. We have quite a few of our clients in those homes also that we are providing rental to. And it was brought to the attention that, maybe there is something similar to that that might have to happen for some of our clients that are more difficult to place, especially persons like mental health clients, et cetera.

As I said, with the Deputy Chief Officer coming on board, he has actually taken up the fact that, since he is the Housing Chairman, he was going to look into the possibility of what can happen with the housing strategy or at least, bringing it to the attention of the Minister responsible for Housing.

The Chairman: I know that this is completely outside your area but, are you aware whether the proposed mental health facility in East End has started? Is it like a start or is it being deferred?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Honestly, I have no answer to that.

The Chairman: Okay, that is fine. No, no, that is a good answer. I will get to it by tomorrow.

Hon. Bernie A. Bush: Mr. Chair—

Ms. Barbara E Conolly: Mr. Chair, through you to the Director: Can you indicate how many landlords are currently signed up for direct deposit rental payments out of the total amount of landlords that are serviced through NAU?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Through you, Mr. Chair: I can give an approximate. I think it is about 150 landlords, approximately,

that signed up for the direct deposits. I will not be quoted on it because I would have to get the exact numbers. I did not bring those statistics with me, but we would probably have somewhere in the gamut between the year of maybe 400 or so landlords that we deal with.

Some landlords said that they preferred to do the old way of just getting the checks so they have elected not to send in their information, but we actually sent it to all the landlords that we were doing business with at that time, to remind them if they wanted to take part in the direct deposit, to provide their details; some provided, some did not.

Ms. Barbara E. Conolly: So, notice was actually sent out to all of the landlords that you were going to provide this direct deposit service?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Correct. What we did when we did the checks, prior to starting the initiative, we actually sent a letter to all the landlords with their checks, to say this is what we are doing. There was, I think, public domain on the radio. We went out there reminding landlords if they wanted to take part in direct deposits, they could also sign up. We actually went through our list of landlords we previously did business with and we had, between the Department, and the Ministry calling individuals to see if they were willing to take part in the direct deposits pilot we were doing.

Ms. Barbara E. Conolly: Okay. Can you indicate some of the reasons why some of the landlords did not sign on to the direct deposits? Is there a reason? Is it because of the fact that they do not have a bank account or they do not have access to a computer? What is the reason?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: That might very well be the case. In most cases, some persons I have heard say they did not want to give their bank detail information, even though we said to them that it would not be your bank account details like a bank statement; we just needed to know what account to put it in.

Some of our older landlords opted out, I guess, maybe they are not as tech-savvy to go and do online banking to see where the payment is coming from, so they just opted to just have the check; but, various reasons. But we called them, provided the information and many said *Okay, no problem*, but they never sent in the information. We tried re-calling them, we sent out letters to the landlords and it is just, basically, up to them to decide whether or not they want to sign on for the direct deposit.

Ms. Barbara E. Conolly: Through you, Mr. Chairman: What date of the month do those direct deposits hit the landlords' accounts?

Ms. Tamara Hurlston, Director of the Needs Assessment Unit: What we try to do is process payments before the 1st because, as you know, the 1st is usually when the rent is due. If it is month to month, usually it is on the 1st. So, what we do is batch the payments, send it out to Treasury and then Treasury would arrange for the direct deposits to happen. There have been a couple of hiccups in regards to sometimes payments are sent back because there were some issues there. I do not know if Matthew . . . But there have been some hiccups with the direct deposits in some cases, with returned payments and having to send them back out, but generally speaking, whether it is a check or if it is by direct deposit, we try to make the payment at least a week before it is due, knowing that it is due on the 1st.

Ms. Barbara Conolly: Okay. Thank you.

Hon. Bernie A. Bush: Mr. Chairman, through you. Thank you.

Well, I am happy that you brought up the problem finding homes for people, as it just so happens that a young man in West Bay called a meeting, identified land—the very same idea that the Chairman talked about government-assisted. Maybe something Government could build and the money you would save on the rent. So, what I will do, if that is something you all are going to pursue, I will recommend this young man to, maybe talk with you some of the brilliant ideas that he has on that as well. And I have spoken to the Minister on homes but, this is something that is very commendable that I heard you speak slightly and the Chairman.

The question, through you, Mr. Chairman: The last time you were here there was a shortage of staff. Has that problem been solved with all staff members?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Actually, at the moment we have approximately four vacancies at the NAU. We still have an issue with staff retention. Over the last two months, we have had someone who resigned in December and another one resigned yesterday. These are the Needs Assessment Officers and we had several resignations through 2018. The problem we have is that although the positions are there, sometimes it is late recruitment but then also, by the time we get the additional support in, the existing staff is already under a heavy workload. And there is a natural turnover and we then have to go through the training cycle again with the new staff, and it is all because of workload.

We recently had the Civil Service Engagement Survey results delivered to us and we got satisfaction management organisational culture; it was all high, it was all great. Where we fell low was in workload. Our workload, unfortunately, the staff said they felt that was a problem at the needs Assessment Unit.

The Officers felt that it was too much work for the amount of staff that we have there.

At the moment, we also have a vacancy in a Managerial position. We have requested from last year October for someone to be seconded in the post and to aid us with some of the issues that we are having. We got an approval. As of January 9th it was approved that they would allow for someone to be seconded into that post to be able to give us some form of assistance.

We also asked about the possibility of doing a quicker recruitment of the Needs Assessment Officers because we know that we needed more officers than any other position right now because they are the ones the frontline dealing with the individuals to get the assessments and the aid to them. As of this afternoon, I saw a request from HR saying that they are going to do the advert for the Needs Assessment Officers.

We have also done a staff proposal, several occasions throughout the year, and, as recently as this week, especially after the last person resigned, saying what our dire needs are in regards to the personnel that we need which includes a Compliance Officer (which is in the budget); the Executive Officer for Cayman Brac because Cayman Brac always had only two individuals hired and we know that we needed help over there. Thankfully, as of yesterday, I believe, it was approved for someone in Cayman Brac to be hired on a fulltime basis. We also noted that we had two social work type positions at the Needs Assessment Unit last year. I do not know if you recall and remember from the last time I was here, those posts were created. I did not know at the time that they were created and advertised. They brought—

Hon. Bernie. A. Bush: Stop. You did not know they were being created or advertised?

Ms. Tamara Hurlston, Director, of the Needs Assessment Unit: Not the last time or this time.

Hon. Bernie. A. Bush: Okay, one second. Let me interject this second. You, as the Director of NAU, do you have say in who is being hired? I know another department complained about this.

Ms. Tamara Hurlston, Director of the Needs Assessment Unit: I propose what I suggest for budget and what I suggest for our staffing needs are during the year but the ultimate say does not lie with me. I do not have a HR delegation to recruit for my department; that is handled and centralised at the ministerial level.

Recently, we had two persons who left. It was a social work coordinator and a social worker who were with the NAU for approximately a year through the last recruitment that had occurred. While they were there, the social work was not really being done;

it was more like them helping with assessments and dealing with our usual operations. So, what we saw as management is that having the social workers down at the Needs Assessment Unit was not beneficial. What we believe is that the social workers at the Department of Children and Family Services who are responsible for those social programmes would be a better fit; reason being, it is almost as though the same thing that was in the report from 2010 that said social work should be split from financial services, it happened again where the social workers were bombarded with doing financial. So, social work could not be done, hence the reason why the two units separated in the first place.

Hon. Bernie. A. Bush: Through you, Mr. Chairman: If I were in your position, I would feel more comfortable knowing that I would be getting who I wanted for what.

Would you feel more comfortable having some say in the hiring of people who are coming under you?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: I think most directors have a say and would like to think that is the normal protocol. Most departments would manage themselves and then report to the ministry. Like I said, this Ministry have HR centralised but I do verbalise and in writing, state what I need for the Needs Assessment Unit.

At the moment, like I said, what we have is the two vacancies left for a social worker coordinator and a social worker, what we saw the better fit would be to bring in the Needs Assessment Manager position (which you may have remembered the last time I mentioned) to bring that on board, which is doing more of the work that we need to be doing at NAU from what we see, and also, to be able to bring on the compliance officer. The reason why we have compliance is because we have legislation currently being worked on through a working group and in the legislation it is going to require that we have a compliance component which we are lacking now. The idea is this manager and compliance officer would take on those aspects instead of the Needs Assessment Officers themselves trying to do some form of compliance while trying to do their other duties as an officer.

At the moment, I would say the better use of our resources from the NAU standpoint, would be to have the Manager, the Executive Officer in Cayman Brac, which was recently approved, as I stated this week (yesterday), and the Needs Assessment Officers. Originally, it agreed that we would have 18 Needs Assessment Officers. We would like to retain that, but we did give up one of . . . well, we were told that one of our physicians would no longer be available to us out of the 33 that we had budgeted because that position was going to be given to DCFS as a social worker. So, we are down to 32 positions. But it would be good if we are able to retain our positions and use

them the way in which we would like to use them for what we need to service our clients, noting that there are vacancies for social workers over at DCFS.

Hon. Bernie. A. Bush: Okay Mr. Chairman, let me say, you always hear complain, and when people get good, they do not say enough.

I was dropping a young athlete after a late match. I thought I had to drop the child to the district (which is another district from mine) and the child said, *Take me to where my parent works* and this was 9:30. The child told me where and it was at your Office. And the child, just before getting out, said he would be there again until 11:00/11:30 with the parent. When I got there, I realised that a quite a few of your staff members were there and this was around 10 o'clock. From what the child said, it seems to be a regular thing with the parent working there late. It is commendable, (I know you never hear the good stuff) but hats off in respect to the work you all are doing under the trials and tribulations that you have to deal with. Good luck and keep it up. Thank you.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Thank you very much.

Mr. Christopher S. Saunders: Thanks. One of the things I am just trying to wrap my head around is: What is the full complement of the department for everybody?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: In the budget it was approved for 33 positions. The Ministry made a decision that one of the positions would go to DCFS as a social worker and so, we are down to 32 positions at the moment. If we are at 32, we then have four vacancies. If we are allowed to keep the 33 positions we had in the budget, we have five vacancies.

Mr. Christopher S. Saunders: Okay. Of those 32 positions, how many are actually assessment officers; people who do the assessments?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: In the budget there were 16 persons as assessment officers. The Ministry proposed 18 persons to be assessment officers, which we agreed to originally. At the moment, we are down to actually having 16 assessment officers on staff, and like I said, we had two resignations recently. But what we are proposing here is to be able to bring on the two assessment officers, (if we are able to keep the additional head that we have lost); a compliance operational manager (who will take the Needs Assessment Manager's post that we previously mentioned in 2016); the executive officer's post in Cayman Brac because there are literally only two persons working in Cayman Brac who are an assessment officer and an accounts

person who also try to manage front desk, so having that additional body there to aid us with both accounts and front desk. The compliance officer will take some of the compliance components off of the needs assessment officer, so they can focus on their main responsibilities. We do believe that is the best fit for this year.

Our original staff complement was at 40, when we were created; that is what it was supposed to be. We have never been at forty, but since then we have had several challenges thrown at us, one being the health, so, that is an increase in clientele that we did not expect to have to deal with. And also, we have approximately 800 clients last year that were never assessed for poor relief under the Needs Assessment Unit. They had not been assessed for many, many years, and we did a project last year to try and identify these individuals.

We have now identified or either terminated them or identified them. Now we have the process of going through and assessing approximately 600-odd persons for poor relief, to ensure they actually still qualify for that service. We found persons who were deceased, funds still going. We also found persons who were no longer living in the Cayman Islands, some as far as almost 20 years but collecting a stipend. We found persons who were non-Caymanians receiving the stipend. We were able to remove approximately a 127 persons through the reassessment process of even just establishing contact, which allowed the other persons that had been pending for several years to go on to receive the service.

Mr. Christopher S. Saunders: One of the things I am trying to, I guess, get a clearer picture of is that the department was originally created with 40 staff and you are running at 32 now. So, you are 20 per cent below what you were originally created to do and then, on top of that, your workload has actually increased above what you were originally tasked to do. But one of the things that I am curious, just trying to understand from an efficiency standpoint also, is: when you assessed some of these people as being indigent and, in some cases, they are medical boarded, how long . . . do they come back in the next six months to be assessed again or, those people you can say well, at least they are good for two years? Because if a person is old and . . . I mean, what is the frequency?

The next thing I am trying to figure out, from a compliance officer's standpoint, what exactly is that position looking for them to be compliant with? Is it a situation of people getting benefits that they should not get? And if that is the case then, if we do find people that are getting benefits they should not get, are we prosecuting those people in terms of what it is.

And then, one of the last things I am trying to understand: how long does it really take, from when a

person comes in [and] sits down? On average, how long does one assessment take?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Okay, so—

Mr. Christopher S. Saunders: I know it is a loaded question.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: I will try to remember but remind me if I forget some pieces.

In regards to the assessment process: from the time of coming into the office and being assessed, you have to book an appointment. Appointments are pretty good now; I think we are maybe a week to a week and a half out; previously it was months. So, we have gotten that down. The assessment process usually takes, depending on the type of person that we are interviewing or the household configuration, it could take anywhere between an hour (under extreme measures, maybe two hours) to assess the individual. The person is actually bringing in paperwork to provide their financial circumstances and other circumstances. For instance, if someone is deemed to be permanently unfit to work, they have to provide medical information regarding that, to which we provide them with a medical where HSA will provide details saying the person is permanently unfit to work so they should have access to services for a period of time.

In regards to the length of time that persons have to be assessed, if it is someone who is elderly or permanently unfit, it is every two years. So, they do not come in every six months to be reassessed. It is every two years. In the case of indigent medical alone, I know that they approve that every three years so, you only need to be assessed for indigent medical if you are permanently unfit or elderly, every three years.

In the terms of families who are unemployed, we follow up every three months but we assess them every six months with the hope that maybe their circumstances changed, they gained employment and we can look back to see what services may need to be adjusted. So, they are not coming in every three months, as was previously done, we are actually assessing them between six months to two years depending on the category. Single, able-bodied persons only get assessments for three months out of the year, so we only see them once through the year.

Mr. Christopher S. Saunders: Thanks very much for that.

What I am trying to figure out now is if you have 16 assessment officers and they can do on an average four per day and that is 64 per day, and over a five day work week, that is roughly 320. So, you are talking about doing 320 assessments per week.

Ms. Tamara Hurlston, Director of the Needs Assessment Unit: There are other parts of the assessments beside just the assessment. We have to follow up with the services, we have to provide different types of services, documentations, we have to follow up with the clients for certain documents, like if they have to file for maintenance; there are a lot of other administration that goes into that. I think the last time I might have brought the assessment process and the follow up. I did not bring it this time but I can provide it after, if you would like. But there are a lot of follow-ups. So, it is not that we see the individual today and they get their services and go away. We have to have case management and follow up with the individuals, which is hard to do when we have an average clientele of 75 to 100 cases or 100-plus cases per an officer.

Mr. Christopher S. Saunders: One of the things that have been one of the biggest challenges in terms of even going back to the housing issue has been delay in payment. Is it a situation then, that NAU is processing the payments late, or is it a situation that Treasury has set days in which they do their run-off or cut-off? One of the things that has been an issue and I found that out the hard way when I found out that even you guys, where your office is located, some landlords did not even want to rent commercially to government because they did not want those people also coming; the persons who need help.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Yeah.

Mr. Christopher S. Saunders: I am trying to figure out what it is that makes the payment so late.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: In regards to—

Mr. Christopher S. Saunders: Do not be afraid to [INAUDIBLE] up there you know. If it is Treasury do not be afraid to call them out.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: No, I will say this: we have been working very well with Treasury, even with getting direct deposits off the ground because we have been wanting that for quite some time. I am thankful that they actually went ahead and pushed with that and I think more to come in the future. So, I would not blame Treasury. What I will say, is there is a process to get things done and the reason why we wanted to go with the direct deposit is that once there is a payment . . . and I will give you rent as that is the main one.

A rental guarantee is what we sign with the client and the landlord to say that we are going to guarantee a payment. Once we approve a service for a client, both of those persons have to come in to

sign; the landlord has to agree to the terms and so does the client. What often times happen is that they do not sign at the same time. We cannot initiate that contract until both signatures are on there, so, even though one might have signed two weeks ago and another one comes in two weeks later and signs, it is not until then that we can actually trigger the payment. An officer then enters the service and accounts then go ahead and start the payment process.

The payment process is ran through the Ministry and the Ministry takes the batch to Treasury. Treasury cuts the cheques, the cheques are then sent back to the Ministry to distribute amongst their departments; the cheques are eventually collected and sent back for collection to the department. What we have done is that we have eliminated the process where previously, when it was done by DCFS, they would actually have the cheques at the front desk where the landlords then have to come in for the cheques. We do registered mail which was better than what we had. I still do not think it was the best but it is what we had. So, we then sign up all these cheques and send them through registered mail so the landlords will know how to track these individual payments.

We are hoping to get rid of those steps in between there by doing direct deposits. If we are able to do the direct deposits, we are going to save about five days between when the landlord gets their first payment or their payments, because we do not have to worry about sending . . . well, the batches going over and then physically having to collect the cheque and sending them through mail which also takes several days to reach to the mailbox; it would be directly into your account like payroll would be for government employees.

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: Mr. Chair, just to add to that.

Thank you for outlining the process. We had some concerns particularly with regards to the registered mail, as you can imagine, that is not the most efficient way of getting something done knowing that they have to get a slip in their post box and then have to go to the office to collect the registered mail. We had a number of concerns besides all the process leading up to that point, which is the Ministry sending a payment run to Treasury, Treasury cutting a cheque and so on. So, there are some things that we can do. We have been working closely with the Councillor and with the Ministry's staff to try and eliminate a number of those steps and one of those is direct debit which I think is coming along. Some of the information we have not received from landlords and they are saying *Okay we would like to sign up for it* and, they have not given us information and so on. But I think we will get to the point where it will be a much more efficient process with direct debits.

Just to point out, in the past, in regards to Treasury, I had a complaint in a similar matter from a landlord who was saying that they were told that it was treasury delaying the process and we actually went back to our records. In this specific case, where the complaint came in, we received the request at ten o'clock and we actually issued the check to the Ministry at 12 o'clock. So, the two hour delay was basically because of Treasury's process; not a delay really, but the process between the time received by Treasury, to the time we sent out the cheques. I just want to make it clear that at Treasury, we're holding up our end but I think it is the process overall that needs to be refined.

I think Tamara and the Ministry and Councillor are working diligently to get that refined to a quicker process; and I do hope that landlords can work with us to get that information so we can get the process fine-tuned because, the direct debit would work very well for both the tenants and the landlords, I think.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: I was going to say, if and when you do get someone saying they want to sign up, if you just direct them through to the NAU info e-mail, because if we have been sending out those forms to our existing landlords, so it is not a problem. We can even share with Treasury so that, if you get a call, you can actually send them that form.

Mr. Christopher S. Saunders: Sorry, just going back to the Compliance Officer to wrap my—

The Chairman: Can I just interrupt you. I have a couple of questions around this payment business. I keep hearing things have to be approved by the Ministry.

Is the NAU a department of the Ministry or is it the Ministry?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: The payment cycle happens that way for all ministries in regards to, we batch the payments, we approve the payments but the physical cheque is approved through the Ministry, through the Chief Officers. And that is for every Ministry and you can correct me if that is wrong.

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: So generally the procedure, Mr. Chairman, is that each department will enter their payments and then the CFO does what they call a payment run or batch, so all payments that have been entered by all the departments will be run at one time. Normally, a few times per week, they do payments run.

The Chairman: What is the purpose of having that done at the ministry level, rather than the department head?

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: It is a secondary check because the Chief Financial Officer being responsible for their budget. They would have their knowledge of the payments going through—

The Chairman: So, there is no devolution of responsibility to the department head?

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: There is a process where we have someone in the department who enters the payments and then another person in the department that approves the payment. So the CFO is not necessarily going through every payment, but through the process of a payment run, they will be aware of what is being paid out and then they can investigate, if they would like to have further information on each payment. It is just a check and balance to ensure that the CFO is aware of what payments are going out.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: If I can also clarify, because I understand is the CFOs run the batch payment, but it is actually the Chief Officer that is responsible for signing off the batches.

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: No. Not in all cases. The CFO can sign off a payment run.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Okay; in our Ministry . . .

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: In the case of an executive payment, that is, some of your payments would be executive?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: It is executive.

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: Okay, in this case then, yes, you would have—

Ms. Tamara Hurlston, Director, Needs Assessment Unit: It is the Chief Officer.

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: —the Chief Officer, signing off for executive payments. For Entity payments a Chief Financial Officer would sign off. So, there are two types of payments we process.

Mr. Christopher S. Saunders: Looking at the growing numbers that we have, I am trying to determine how much coordination is between your department

and DCFS. Previously, everything was under one umbrella, where DCFS runs the programmes and NAU do the payments. When it comes to taking your customers off assistance, in terms of trying to help them find employment and so forth, normally, who does that? Or how does that come about?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Through you, Mr. Chair. At the moment, there is WORC [Workforce Opportunities and Residency Cayman] which was formerly NWDA (National Workforce Development Agency), and what happens is we refer our clients to the entities that deliver the programmes they need. So, for instance, in the case of the unemployed, we require that they register with the NWDA for employment and take part in whatever programmes they have available because they are the agency developed under government for the unemployed.

In regards to drug rehabilitation, we refer persons to drug counselling for those issues; in regards to parenting, to the Family Crisis Centre. So any programme that is being delivered— either by a private entity, NGO or government entity, we refer our clients there.

If you look at the annual budget statement for the Department of Children and Family Services, which I did not bring with me but you will be able to see in there, that part of their deliverable is actually programmes within the communities. It was also mentioned in the report that divided the two entities. The idea is that eventually it would be to a position where they are delivering the programmes and we are able to just refer our clients to whatever other programmes they have, because there are programmes existing across the country in different organisations.

NAU is supposed to concentrate on getting the deliverables of financial aid into the hands of those who are in need of financial aid and concentrating on that, which is why my suggestion and our management team at NAU would suggest that social workers would remain with social work to be able to deliver those programmes which would not be just the Needs Assessment Unit clients; it would actually be to the general public.

We are looking for intervention and prevention and in order to have prevention, there is need to be able to have these programmes within reach to the general public to avoid persons falling into, maybe needing the Needs Assessment help; whether it is with budgeting or whether it is with other family social issues that they would be equipped to deal with as social workers, which would then allow the Needs Assessment Unit to concentrate on making sure that we are providing the means, their financial needs so they would not have that as an excuse to say why they cannot get to their programmes; we would remove that barrier, just like NWDA is working on removing

the barrier of unemployment by providing programmes to those individuals.

So, the idea is that we will facilitate the assessments and provide the financial needs, which is our mandate and then, DCFS and the other entities would provide their services, their programmes, but we would be able to refer our clients. But a holistic approach for the county would be that these programmes would be available to all using maybe the District Civic Centres so everyone would have access to it because we want to have prevention measures also. There are new persons that would come on to welfare services or into any other social issue, whether it is drug rehabilitation that can happen every day but if we have some preventative measures in the district programmes out there administered, it would ease some of these stress that we have on NAU but it is not just NAU clients that they would be servicing.

Mr. Christopher S. Saunders: Thank you very much for that.

One of the things I just want to be clear on is where you have mentioned the different types of customer that you guys would be looking to offer assistance to. Some cases where people would have mental health issues; the question is then: what kind of training and development does your team have? When I am thinking of financial assessment, I am thinking of accountants, but then, I am thinking now of your clientele in terms of the match between Bean Counters (no offence to accounts, but I am one so I guess I can say it) and people coming that would need, I guess, a certain amount of TLC because accountants are not known for TLCs. How do you guys manage that in terms of the staff that you have? The reason I am asking this question is, I think, a while back, I remember seeing an ad for a social worker but I remember looking at the description and it almost looked like it was a NAU person. So, I really could not tell the difference between the two hence why I am trying to understand the coordination between DCFS and NAU in that regard.

Ms. Tamara Hurlston, Director of the Needs Assessment Unit: Well, in regards to the Needs Assessment Officers, most of them are not accountants, actually. They come from different fields where they have worked with a vast variety of clientele or customers. So, in the case of what types of training we do, we do sensitisation training. We have a staff social worker that is actually my Deputy, Matthew Hylton. We basically take them through a rigorous training programme. We also work very closely with the Ministry of Health and they have also established programmes for our officers to attend to be sensitised on how to deal with mental health clients. So we have had appropriate training.

We have persons from different walks of life walking through our office, whether they are mental

health or just going through a stressful situation. So, we do have constant customer service training on how to deal with difficult clients. So, we do ongoing training and how to deal with our clientele.

I must say that I commend the officers, they do an excellent job. They know how to de-escalate situations and they know, especially when we know it is a mental health client, how to work around the individual and make sure that they get the care that they need. If it is someone that we cannot handle (because we have had persons that perhaps want to commit suicide) there is a standard procedure for that. We make sure that we call the police, the police then go ahead and if it is the ambulance that is needed or whatever the next protocol is to secure the person to ensure that person does not hurt themselves or anyone else. So, the staff personnel are trained on how to handle those different types of clientele when they are in their presence.

The Chairman: I want to follow up a little bit on the HR area, because we are back to where we were in July last year and that is rather unfortunate. The Government Minute for June, 2018, states: "In the 2018-2019 Financial Year, 33 posts were funded in the NAU budget. The Minister is therefore very pleased to inform the Committee that the NAU is operating with 32 of the 33 posts. Efforts are underway for the final post to be filled." [UNVERIFIED QUOTE]

Why is it taking six months to fill a post?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Unfortunately, due to the workload, we had a high turnover. Where we may have recruited some, others exited, so we were always playing catch up.

The Chairman: In that six-month period, how many people came through the door and how many people left?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: I do not have the exact figure, but I will ask my deputy to start working on some numbers if he can remember and I will come back to that question.

The Chairman: I do not understand why you do not have HR authority to recruit, if you are a department. Take me through the process. You now need somebody and I find it kind of interesting that a lot of things seem to be happening this week, not last week. But, take me through the process of what happens when you have a vacancy. What is the process?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: The standard process now would be that I identify the vacancy. Terminations are sent in the case to the Ministry. They then write a letter to acknowledge the termination. Previously, maybe three or four years

ago, I handled all of that; I would do the termination letter and then I would start the recruitment process.

In this circumstance, with it being centralised at the Ministry, the Ministry then, would trigger when to advertise that post. What we do from the ground at NAU is that we would advocate saying we are in need and what our needs are in regards to resources. We continuously do that, I would say probably just about every month, I say what needs we have and then, it is to the Ministry to actually send out the advert, do the matrix, do the short listing and they will appoint us to the panel.

The Chairman: So you do not have control over the timing? It is all timed and done by the Ministry?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: It is at the ministerial level, correct.

The Chairman: And are you involved in an interview panel?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Yes. Usually, one of the NAU, whether, it is myself, or the Deputy, we are usually on most of the panels. Some panels would not require us, depending on the level of the position but, they do select at least one individual from the Needs Assessment Unit to be on the panel.

The Chairman: I believe it is common thing for new recruits to do tests. For your staff, do you administer that test or is that administered by the Ministry?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Everything regarding recruitment is done by the Ministry.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Everything regarding recruitment is done by the Ministry.

The Chairman: And, I would assume, that if somebody fails a test, they are automatically eliminated?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: I know that the Chief Officer is coming up next and that would be something that she can answer to, but previously that's how it . . . when the NAU was handling recruitment, especially for needs assessment officers, what we have done in the past is we actually did a matrix where it was weighted. The test weighed a certain percentage and then the interview itself weighed a certain percentage. Because we acknowledge that sometimes persons are nervous in exams and may not do as well as we thought and during the interview process we may have established that they may be a good fit, so we weighted it to see.

The Chairman: In instances where you may have somebody recruited for you that does not fit your bill, does not speak enough English, if you recommend

that that person be terminated or not be hired, is the person still hired or is that a no-no?

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: Mr. Chairman, I am not sure of the post you are referring to, but I will say the NAU is, since October/November, 100 per cent Caymanian but we did have a temporary staff member who was also Caymanian, but the first language was not English at the front desk. Maybe that is where someone might say the language barrier might have been. But in any instance of any suggestion in regards to staffing, I always make recommendations to the Ministry, whether or not I think there are persons performing or not performing and whether they should continue with our organisation. In regards to the Ministry, they make the final decision on whether or not they move forward with.

The Chairman: How many instances in the NAU has it been where the Ministry has not accepted your recommendations?

Mr. Christopher S. Saunders: Hold on Mr. Chairman, sorry. I have to interject a little bit if you do not mind.

The Chief Officer is coming up afterwards and I think we should probably direct that question to the Chief Officer. What I do not want —

The Chairman: I am just laying the ground work—

Mr. Christopher S. Saunders: I know, I'm just —

The Chairman: — so the public will understand if the Chief Officer tries to say this is not my area, it is well documented.

Mr. Christopher S. Saunders: Well, yeah, I know but I do not really want to get anybody in trouble.

The Chairman: I'm not calling any names—

Mr. Christopher S. Saunders: No, no, no, no, no.

The Chairman: On people's financial information, people's assessment criteria, people's assessment results, to most people that is somewhat confidential if not highly confidential. If you have a staff member who raises that kind of information in the public, what happens?

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: Well, if we are aware and we have evidence that someone did divulge that type of information, we would have addressed the staff member with the proof that we have and give them a warning. If it is critical enough that we have proof, because in most cases, I must say, when we have had something like that in

the public, there was no proof that that was the scenario. So, it was kind of hard for us to back it up but either way, we talk about confidentiality at our department very often. Even if it is not true, we speak to the Officer again and remind them about the importance of confidentiality, not just within the department but especially when you are outside of the department because you should not be discussing client information outside of the department.

The Chairman: Okay. Earlier I think you stated that yesterday or today, you currently have four vacancies, some of which is because people resigned.

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: Yes, we currently have four vacancies if we remain with the 32 positions that the Ministry is currently allowing us to have but if it is the budgeted positions of 33, we would actually have five vacancies.

The Chairman: Okay. When people resign, is an exit interview done, and if so, who does it?

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: That is all administered by the Ministry. Previously, we did do the exit interviews, we did our HR in-house but it is all now administered by the Ministry.

The Chairman: Okay. So the Ministry does the exit interview.

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: Correctly so.

The Chairman: How are the findings of that interview communicated to you, or, is it communicated to you? The purpose of an exit interview is to help you, as a director, first of all, to determine why people are leaving. You have presented to us that you believe it is because of the workload and people get burnt out and you never had enough staff to run the place and distribute the workload fairly, so people are leaving because of the workload and because they are getting burnt out. But in the absence of exit interview information that is an assumption.

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: Well, the only thing I have concrete is actually the Civil Service Engagement Survey, which luckily for 2018, we just received the last week from POCS [Portfolio of the Civil Service] and that actually have in there, that that is one of the biggest concerns, workload. Also, even though I am not charged with the responsibility from the Ministry to do the exit interview, when persons resign, I always have a one on one with my staff to encourage them on wherever they are going, and I also ask them for feedback, even though it is unofficial because the exit interview is conducted at the ministerial level.

Of the exits that happened over the year, I do not recall ever receiving the results of those exit interviews. I asked my deputy and I do not think he has received any either. So, we have not gotten those because the exit interview is conducted at the ministerial level. Of the exits that have happened over the years, I do not recall ever receiving the results of those exit interviews. I've asked my Deputy and I do not think he has received any either so, we have not gotten those results. But unofficially, we usually have a discussion just with staff before they leave to feel how they are feeling about things and it is the usual: workload. And, like I said, the engagement survey which I did bring a copy here, also spoke to that. It actually identified that that was one of the biggest concerns from the staff; the workload.

Ms. Barbara E. Conolly: Through you, Mr. Chairman to the Director: The Government acknowledge that there is a high number of clients being supported by a small number of case workers. The remedy is to hire more case workers. Has this not been a priority, to hire more case workers? Is there funding for that or those positions are not funded?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Through you, Mr. Chair, that is what I was referring to with our vacancies. There is funding right now to hire five additional posts which, I mentioned before, if we are able to keep the one post that was given to DCFS last year. But they still have vacancies. If we are able to retain the head count of 33, we would have five vacancies that we can fill, two of which were recommended to be needs assessment officers. The others are to deal with the rest of the operation.

We do advocate for additional resources. In addition to human to having additional staff on the grounds to deal with the assessments, one of the other areas that we have asked for many years is for the database to be reviewed because the database should be capable of doing more than it is currently doing. Thankfully, through the advocacy of the Deputy Chief Officer, it was approved in September, I believe, of this year, that we actually have someone reviewing our database at the moment with the hope of also gaining additional efficiencies to aid the officers and the supervisors with being able to get through assessments on a timely basis.

Something as simple as knowing when someone's services are expiring or when someone is due for a reassessment, that is all manual. So, if we have 75 to 100 clients, we are expected to remember all of that; the database does not spit that information out for you. What we are trying to get to is where the database, as we log in, will let us know what clients are coming up for reassessment and what services are about to expire. The onus is really on the client to come back when their services are expiring to say whether or not they still need services. Unfortunately,

that does not always happen, so we are hoping, with the efficiencies being created within the database, that that will aid the officers and the supervisors.

It will also aid us with reporting, because right now our reporting is very manual. The data is in a database but, to extract the information, we have to manually manipulate the data, which can lead to errors and again, we have been asking for the database to be reviewed for many years and, as recently as, I think, November 2017 but thankfully, the Deputy Chief Officer was able to push and advocate for us, and we now have someone in since September, to review the database to allow for better reporting also.

Ms. Barbara E. Conolly: So, what sort of timescale is in place to upgrade the database?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: The Ministry is coming on next. The Deputy Chief Officer might be able to give more of a timeframe but, from what we are seeing, because the consultants meet with us and also at the ministerial level, they are working also with Computer Services, so there are other dependencies. It has to be a phased approach, but we are hoping that we at least can get to use some of the benefits from the review of this database within, hopefully, the second quarter of the year.

Ms. Barbara E. Conolly: I have another question on HR. You mentioned that—

[Inaudible interjection]

Ms. Barbara E. Conolly: Sure.

Mr. Christopher Saunders: Sorry. I just want to get something on the database for my own understanding. If you have 16 officers now and they are running between 75 to 100 clients, you are talking about a total of 1,200 to roughly 1,600 clients and you are saying you need two more. You are talking about another 150 to 200 so, basically, the amount of clients that NAU are processing are anywhere, roughly, from 1,400 to 1,800?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: At the moment, servicing for clients, we have, approximately, in last year, 2018, rough estimates because, again, I pulled this together and it is manual data and I am not quite completed with the statistics as yet, but it is about 2,040 families served last year. Of those families, for temporary services which would include the rental, the food, utilities, those sorts of services, it was 1,192. For poor relief, which is at 600 now, \$750 stipend that they receive monthly, which is reserved for the elderly and the permanently disabled, that was 1,056 clients. So, in total, that was 2,040 clients that we served because some of the poor relief

clients are also receiving other services. So, approximately 208 clients are receiving the poor-relief stipend are also receiving other services, may be rent, food, etc. because the \$750 is inadequate to service them.

With that being said, the officers that we have basically it would be the 2,040, assuming this does not increase, to be split amongst them for assessments. We do have, in this balance here, approximately 600 clients that we have identified through the reassessment process last year for poor relief, but they still have not been assessed. This does not take into consideration the indigents, which is the numbers I gave you with the 422, I think, for last year. So, this is just NAU clients, in addition to the NAU clients receiving our services, there are the 422 clients that we are assessing also for HSA, for indigent medical for the Ministry of Health.

Mr. Christopher S. Saunders: You mentioned earlier that you have a waiting list of people waiting for poor relief. How many people we have, roughly, on that list?

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: The number is ever-changing because, what happens is: before, it was an application process for poor relief and you would apply and it was long and tedious. Now, what we do is to use the same assessment process, the same form that we use for all our other services; you would just say what else. And we even pre-empt so, what we have done is last year we went through the database and saw everyone who was over 60. We saw whether or not they were getting poor relief and if they were not getting poor relief, then we started the process of processing their applications to see when space does become available, if they could go onto that service and then come off of other services such as food and utilities.

The Chairman: I heard you mention space available; do you have a quota for poor relief that you cannot exceed, not in a monetary fashion but numbers of persons?

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: Correct. That is 948.

The Chairman: So, what happens to the people who are outside your quota?

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: They get other temporary services. They would get access to food and other services. But as you can imagine, there are other services that the elderly especially would need funds for and therefore that is why we try to get the poor relief as quickly as we can because, for instance, catching the bus, that costs cash. That sort of stuff takes cash. But when we are only giving services such as rent, food, et cetera, that

would not cover those expenses. Hence, that is why it is reserved mainly for the elderly majority.

The Chairman: From a policy point of view, would it not be simpler if government had a figure which is required for minimum living standards, which people got and the people allocated it themselves to their own expenses based on your assessment?

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: That was something previously discussed, even before the creation of NAU and recently we looked at the possibility of a standard rate, where we would basically say what the standard cost of living in the Cayman Islands is, based on the family dynamic and determine what that amount would be and then basically, provide services. But in your suggestion, which would be a good suggestion, provide maybe the cash stipend whether it is on a card to monitor, et cetera, so that they can control how they use their funds. There would be a lot that would need to go into that concept because we would need to make sure that there is no fraud, they are using the cash for what they are supposed to use it for. But, at the moment, something as simple as even having more of a standard rate for the elderly say, if we think the elderly would not need \$1,200 to survive, and say that if you get this standard rate then, other services would not be accessible. So, you would not have to double-dip and you would know that the elderly is cared for.

That is something else that might aid with both the elderly and their families because, when it gets to a point where the families are unable to afford taking care of their elderly, they come into the NAU for Pines placement or care, which is costing the government even more. So, something like that to start with could be looked at for even the elderly, for the stipend to be increased.

Mr. Christopher S. Saunders: Just on the database before because I know my colleague has a question on the HR side.

The number that you broke that you gave us in terms of total, would you be able to give us a breakdown between rental assistance versus those who receive food vouchers and like those who get temporary financial assistance, and I guess like permanent financial assistance and those kinds of stuff. I do not know if you have that information with you but just even a ballpark—

Ms. Tamara Hurlston, Director, Needs Assessment

Unit: I have some preliminary. I do not have it by service type as yet but I am working on that information. We published that information annually. But in regards to temporary, the temporary service was at 1,192 families. Remember families is one or more, so it could be (I am not sure of persons served as yet, that is what we are working with the database on).

For poor relief, which is the \$750 stipend, we service 1,056 individuals and that does mean 1,056 was on at one time, but throughout the year with persons coming off and going on, it was a total of 1,056 individuals.

Mr. Christopher S. Saunders: Okay.

Ms. Barbara E. Conolly: Just one last question here: you mentioned that you were going to recruit a Needs Assessment Manager; does the department not have someone at that level already?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: For that post, no, we do not. We have supervisors at the moment that review cases. The Manager's post is dealing more with operation and compliance and that post we originally had in our structure from the creation of NAU. It was recruited for but never filled. There were some issues with their recruitment and it is now again an opportunity for us to get that post filled to fill some of the gaps that we find at our department that we are in need of.

Ms. Barbara E. Conolly: So, your social workers, they answer to the supervisors?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: The Needs Assessment Officers.

Ms. Barbara E. Conolly: It is the Needs Assessment Officers?

Ms. Tamara Hurlston, Director of the Needs Assessment Unit: Yes, that answers to the supervisors. Correct.

Ms. Barbara E. Conolly: And the supervisors would then answer to the Needs Assessment Manager or not necessarily?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: No, that Manager, in what we have as a structure for NAU, those supervisors usually go to the attention of the Deputy Director, and the Manager is just another tier that also reports to the Deputy Director, then they report to me.

Ms. Barbara E. Conolly: Okay.

Mr. Christopher S. Saunders: Mr. Chairman, just one final question because I recognise that the witness should have been here for an hour and she has been here for an hour and half.

Just going back on training: looking at the high staff turnover, and the burnout issue, I mean, I know there are some things you can probably give training for, but I am trying to get a better understand-

ing in terms of the dynamics or the skillset that your team possesses. You were saying earlier that a lot of them were not accountants, which in a way, is a good thing. But in terms of the type of personality, because it takes a special kind of personality to do this kind of job, and one of the things that I do not want, is for us to be training people and they still end up leaving. That is money kind of, I do not want to say wasted, but—

Ms. Tamara Hurlston, Director, Needs Assessment Unit: It is, yes.

Mr. Christopher S. Saunders: —in terms of the kind of training, especially with the different dynamics of people coming through the door, like when you are assigning cases, do you look at a particular person to say, deal with maybe a mental health case or if it is a family crises like . . . How do you assign the different cases and typically, what does the training entails?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Okay, through you Mr. Chair.

What we do currently, is once we interview someone and they are selected for a post and we put them through the same training, (everyone goes through the same training) they learn all the different avenues of the different type of clientele they may deal with, because on a given day, you may end up with any type of a client, so you need to know how to handle all types of clients. So, we do not necessarily look at personality, per se, to decide who a case should be assigned to, but it will be considered. If we realise, for instance, someone may work better, we see that here is a certain characteristic that this individual might work better with this particular client, we go back and look at that if we see there are issues. We would not be able to predict that when the client is first coming in.

In regards to the types of training, we go through the 'means test', which is to know how to do the means test, what information we are looking for. We also go through, like I said, to do a separate training for mental health, how do we deal with those types of clients. The deputy over here goes through training on sensitising them on some of the social issues they may encounter. We have a training manual that they would go through in learning the policy. Our legislation is only a poor relief law which is two paragraphs, which we are now working on legislation, which is another challenge that we have. But they go through that type of training to get to know our organisation and our clients before they are put at the frontline by themselves and doing assessments one on one.

Mr. Christopher S. Saunders: Who does the training? Is it in-house or is it external?

Ms. Tamara Hurlston, Director, Needs Assessment Unit:

In most of the circumstances it is in-house but for mental health it is with the Ministry of Health. And we do other customer service training that we bring persons externally to come in and do the training, dealing with difficult clients, that sort of stuff. But we do quite a bit in-house also, but we do secure persons externally to also do training.

Mr. Christopher S. Saunders: Alright, my very last question Mr. Chairman.

Being the Director there for several years, what do you see as the next step forward? And what do you think we in this Legislative Assembly can do to make your department more efficient and basically provide better services to your clients? I mean, this is just your part, in terms of what we can do to make it better because at the end of the day, it is important for the public to recognise that we are all on the same side and your clients are still also by bosses too because they are all voters because they have to be Caymanian to receive the service. So, what can we do better to help?

Ms. Tamara Hurlston, Director, Needs Assessment Unit:

A loaded question: at the moment, my need is resources. I believe what the department need is the bodies to do the work or the resources. It is not only about having individuals but even something like the database being upgraded so that we are able to do things more efficiently.

Basically, the resources and having a little more support, per se, from Ministry and from everyone, in knowing that these are the needs of the Needs Assessment Unit. My Deputy and I are on the ground at the department so we should know what the needs of the department are. We should know where we think the resources are needed and actually having what we say be taken into consideration and hopefully having that dialogue before decisions are made; being made aware of things that are about to happen before it actually happens.

Like I said, with the social worker positions that were advertised last year, we found out like the general public when someone called and said, *I see you are looking for a social worker*, and then I went online and saw the ad. Just being aware of what is going on because it is embarrassing when the public gets to know more information about what is going on at your department than the management team does. As you can imagine, then my team comes to me and asks me about what is going on and I am just finding out like everyone else. So, being more involved in decisions that impact our department would definitely be beneficial and also, having our suggestions being taken into consideration for making future changes or creating efficiencies within our department.

Mr. Christopher S. Saunders: Just one last thing I want to close with. I am glad Mr. Harris is here, my colleague for Prospect.

Ultimately, at least for me, where I sit, I look forward to the day when you do not need those resources, and that we have done a better job in terms of creating opportunities for people to help themselves. As I said earlier in one of the preamble to one of my questions, we do recognise the inadequacies within the Pension Laws; we do recognise the inadequacies in terms of providing health care for our people; and we do recognise that we are positioned in the private sector workers to eventually become dependent on government and that is something that all 19 of us in this House will have to find a way to fix. But getting resources, I can tell you, is not something I am keen on. I would prefer to see those resources being spent in education and elsewhere to equip our people better as opposed to the other end. I think ultimately, that is where we need to get to.

Tamara, I just want to say thanks very much for the work you are doing. I have called you late hours sometimes on other people's behalf and at 8:00/9:00 you are still in the office. So, I can speak first hand from my own personal experience. You do not have an easy job, it is a very difficult task and in essence you are dealing with some of the people that we in this House have failed. So, in essence you are dealing with our mistakes to some extent, where have not done enough. I want to say on behalf of my Committee members who, I think, will share the same view, to thank you and your team for the job that you are doing.

Again, I say, it is not easy but at the end of the day, we are all human and everything else, so I want to say thanks for everything that you are doing.

Ms. Tamara Hurlston, Director, Needs Assessment Unit:

Thank you.

The Chairman: Mr. Jefferson, do you want to make an intervention?

Mr. Kenneth Jefferson, Financial Secretary/Chief Officer, Ministry of Finance and Economic Development:

Yes, thank you, Mr. Chairman.

I just wanted to give the Committee some brief information on an area that the Committee seemed quite keen on previously, and I apologise for not jumping in at the time. It was about the area of recruitment and the ability of the NAU to essentially recruit autonomously for itself, control the timing, et cetera.

Just to say, Mr. Chairman and Committee Members, that the Public Service Management Law (PSML) does actually provide that ability for a chief officer to delegate HR responsibilities to a head of department. It is sometimes even described in the law as a manager and typically, that does actually take

place. Just using myself as an example, as the Chief Officer for the Ministry of Finance, heads of department, managers, they do have a delegated ability from me to not only hire and recruit staff but to also, if necessary, terminate them.

Those delegations do actually come with restrictions and subject to certain rules and it is very typical that the delegation will say a head of department can recruit, but the chief officer shall ultimately approve what the recommendation is. But that is quite a lot more efficient than the chief officer of the Ministry controlling the timing, et cetera, because normally, as the Chief Officer what you get is a panel report saying *We recommend Mr. Brown, do you agree yes or no?* And that is maybe a ten minute job. So, the ability to delegate responsibility for HR functions is there under the Public Service Management Law.

Mr. Christopher S. Saunders: Thank you very much for that, Mr. Jefferson, because I was actually planning on raising that to the Chief Officer when she comes in. Do not worry, it is there. Thanks.

The Chairman: If there are no other questions, I would just like to take the opportunity to endorse what Mr. Saunders to Ms. Hurlston. You seem to be doing a good job under some trying circumstances, which I must tell you, I am rather disappointed that have not been relieved based on what we were promised in July, 2018, but I beg you to soldier on and as, I think it was Bob Marley who said, "better must come". But thank you very much for your time.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Thank you and if I could just go on record because my staff are watching and they have been praying: I just want them to know that they are doing a great, excellent job and my nights are not like their nights. I have officers leaving at one o'clock am, literally tripping the alarm, sometimes, that I have to get up and see what is going on. And they do this without compensation. They do it because they do genuinely care about the public and they care about our clients and at the end of the day all we really want at the department is to ensure that we are servicing our most vulnerable. That is why the staff that we do have—and we do have some who have been there from the very beginning—troop on and they work the endless hours because of their dedication to the public and to the Cayman Islands Government and for that, I would like to say thank you to them because I do not think I would have been able to "troop on" if I did not have that type of a team behind me.

Mr. Christopher Saunders: Sorry, Mr. Chairman, one question: Does your staff get paid overtime?

Ms. Tamara Hurlston, Director, Needs Assessment Unit: Not at the moment, they do not get paid overtime.

Mr. Christopher Saunders: Oh, hell, no! Okay, thanks very much.

Ms. Tamara Hurlston, Director, Needs Assessment Unit: You are welcome.

The Chairman: Mr. Serjeant, can you bring Ms. Echenique, please, when you escort her out?

[Inaudible interjection]

The Chairman: Okay. We will take five minutes. I will let you know when to come in.

Proceedings suspended at 2:45 pm

Proceedings resumed at 3:00 pm

MINISTRY OF COMMUNITY AFFAIRS

ADMINISTRATION OF OATHS OR AFFIRMATIONS

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: I swear by Almighty God that the evidence I shall give in this honourable Legislative Assembly, shall be the truth, the whole truth, and nothing but the truth.

[Pause]

Mr. Andre Ebanks, Deputy Chief Officer, Ministry of Community Affairs: I swear by Almighty God that the evidence I shall give in this honourable Legislative Assembly, shall be the truth, the whole truth, and nothing but the truth.

[Pause]

Ms. Sophie Banner, Senior Policy Officer, Ministry of Community Affairs: I swear by Almighty God that the evidence I shall give in this honourable Legislative Assembly, shall be the truth, the whole truth, and nothing but the truth.

[Pause]

The Chairman: I will take the opportunity to call the Committee back to order.

We have with us now, Ms. Teresa Echenique, the Chief Officer in the Ministry of Community Affairs and she has two support staff with her. When you answer the first question, just identify your full names and positions for the record, once. I will open the floor for questioning.

Mr. Chris.

Mr. Christopher S. Saunders: Thank you very much Mr. Chairman, and I thank the witnesses for coming today. As I mentioned to the last witness, the purpose of this follow-up meeting is to see what progress has been made, and more importantly, what we can do to find solutions. It is not about trying to place blame, because at the end of the day, every single one of us in this House along with the public service is here to serve the best interest of the public. So, that is pretty much what we are trying to get to, so there are no 'gotcha' questions, or at least, I can speak for myself, none of that kind of stuff.

One of the things I want to open up with Mr. Chairman, is what we just closed on a while ago, that really alarmed me when I found out that the staff at NAU that are working those long hours are not receiving any compensation or anything. Why that bothers me, is that there was another department where the head of department have been paid a chunk load of money of time-in-lieu and I am trying to understand what level of consistency is between the different Ministries where a head of department in one can receive comp payment and staff in another department is not receiving it. It seems a little bit inconsistent application of the rules.

I am going to tell you exactly the position I am talking about; it is the Fire Chief that left. I mean, he got paid comp time, for time-in-lieu and then we have staff in NAU working for X amount of hours and not getting paid overtime; that seems to be a complete mismatch in terms of government policy between ministries and I am trying to understand why that is the case.

I guess the two Chief Officers inside here, who ultimately, under the Public Service Management Law, are delegated a lot of responsibilities for your respected areas, can at least explain to me why a head of department (recognising that that is a different Ministry all together) is getting comp time/time-in-lieu and staff in another Department who are really working hard and away from their families are not getting anything. I mean that just seems grossly unfair.

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Teresa Echenique, Chief Officer with the Ministry of Community Affairs. Before I address the question, through you, Mr. Chair, I want to take the opportunity to thank you all for having us here today to be able to answer some of the questions, to be able to offer clarity and to be able to provide further information, not only to this Committee but to the public on a whole. We find it very important that the work we are doing is known, because there is extensive work being done, I think rightfully recognized already and so, through today, we want to provide the additional information to let you all know about the progress that is being made, but to also indicate the work

that is planned because we recognise that, as a Ministry, we cannot do it all by ourselves, so we will require ongoing support from various entities and bodies.

With that said, I want to do my best to speak, specifically, in regards to the hours our staff members. Again, we recognise there are times when staff members will go outside of their normal working hours. We are doing the best that we can to ensure that there is a work-life balance because we recognise the importance of health and well-being for our staff members. And so, whenever staff members are working outside of their normal work hours, we allow them to take the time back in the form of comp-time. At this point, we do not have allocated funds within the budget for extra pay and again, what we do not want, especially in this field of work, recognising that it can be stressful; we do not want our staff members over-exerting themselves. So, as much as possible, whenever we do have staff members that have to work outside of their normal hours, we are encouraging them to take the time back, so that they can also then rest and take care of themselves.

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: Sorry, Mr. Chair, just to speak to the matter of comp-time.

We have a formal comp-time policy in government to be taken before an employee leaves the civil service; in cases where it is impossible, that is, the staff member has reached the end of their contract and they have not been able to take comp-time, it is allowed to be paid out with the Deputy Governor's approval, and that is the only way it can be paid out.

We actually police that in Treasury and when comp-time has been requested to be paid out, we actually go back to the department and push back to say *this has to go to the Deputy Governor for his approval before it can be paid out*. So the situation is, I am not aware of the one with the Fire Chief, I presume it happened at some point and then, that would have had the Deputy Governor's approval to be paid out.

I think there are two situations here because in government we have comp-time, time-in-lieu as well as overtime. So, we have some department paying overtime, I mean, we always hear about Fire [Department] receiving over time, but it can also be comp-time, so there is another solution for the members at NAU to receive comp-time. So, where they are working these long hours, they could be getting that time back like you said, for employee wellness. We want to ensure that our staff are not working until one o'clock a.m., because that is not a good situation for our staff, and the best situation would be to recruit additional staff, to ensure our staff are not working until such time because it is a staff wellness thing; we are required to be a good employer and if we have staff working until one o'clock in the morning, we are not being a good employer at that point.

Hon. Bernie. A. Bush: In your experience, what would cause us to have to give a head of a department \$41,000 dollars? Forty-one thousand dollars for comp-time!

Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: Oh, okay. It refers for comp-time. I am not aware of this specific situation. Presumably you are referring to the same situation that was mentioned for Fire [Department].

Hon. Bernie. A. Bush: Yes.

Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: I am not aware of that situation but, generally, a head of department or any member of staff, their comp-time should be managed so that it is taken before they leave.

I am not aware of the situation at Fire [Department] to say whether that was able to happen before the contract expired or not. I would have to go back to the actual Ministry to see why that was allowed to take place.

Hon. Bernie. A. Bush: Thank you, Mr. Chair.

The Chairman: Okay, I think we are getting a little . . . I want to bring us back on topic.

I want to ask the Chief Officer, in the Government Minute for July, 2018, the government's response says that the Poor Relief Law was being reviewed and it anticipated that that review would be completed by the end of 2018.

Can we have an update on where the review of the Poor Relief Law is?

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Mr. Chair, as it relates to the Poor Relief Law, significant works have gone into the process. We have started the review process and have gone through a series of consultation as well. It is important for us to look at the Law, bearing in mind that the Law is dreadfully outdated and it definitely is not meeting our needs; that we take all aspects into consideration as we go through this process to ensure that we establish a fitting Law. So, we have gone through a first phase which allowed us to have consultation with internal departments and internal agencies. We are moving into our second phase which looks at having dialogue and consultation with external agencies and external organisations.

I have had a team travelled to another jurisdiction to see the operations of a similar law and how we could benefit from what they have learned from, and what they have found not successful or not applicable, so that we can try to avoid those mistakes.

We are now at the point where we have a drafted law that should be readily available by the end

of January. The drafted law is for us to review, to circulate and to allow for various bodies to also give us feedback before we move any further. Again, we want to ensure that this particular Law that we are bringing before the Legislative Assembly will definitely meet the needs of our people and ensure that we are covering the areas we now have gaps. So, our process is that it is still being worked on and, as I indicated, timeline for the drafted law, we should have that in hand by the end of this month and the consultation process will continue until March of this year.

The Chairman: When are we looking to actually have the Law debated by the Legislative Assembly and passed?

Mr. Andre Ebanks, Deputy Chief Officer, Ministry of Community Affairs: Andre Ebanks, Deputy Chief Officer, Ministry of Community Affairs. I also too want to briefly thank the Committee for this opportunity to provide information to the public on this important issue which I think, from my perspective, is foremost.

In relation to the legislation, I think I will take a slight step back, because as I reviewed transcript for the last PAC Meeting, I think this Committee was waiting on regulations underneath the Poor Persons Relief Law. To explain why there was a change intact is because we took a step back and said, *Well, if the current principal Law is inadequate, it does not make long term strategic sense to have regulations under an inadequate law.* Because as law makers, you are aware that regulations do derive their power from the principal law. So, if you do not bolster the principal law, it makes little sense to have regulations underneath a weak law.

So, we had to change tact and would like to repeal and replace the Poor Persons Relief Law with modern financial assistance legislation that will do a number of things. First and foremost, I think we can all agree, let us change the name. The name, 'Poor Persons Relief Law', to my mind, might have (no disrespect to our forefathers of this House), in this day and age, the wrong connotation. I think we need to look at our people from a transformative standpoint to provide them with financial assistance to get them back on their feet where they are able bodied. So, changing the name might sound like a cosmetic thing, but I think it is 'sea change' in how we approach this topic.

It will also delineate exactly what are the powers of the Needs Assessment Unit as to who is eligible, who is not eligible, whether the conditions if you get a grant of financial assistance; can you appeal the process if you feel aggrieved by a decision by the Unit.

It will also introduce an appeals process, as I said, in a tribunal appointed by Cabinet and then also have a proper regulation-making power where Cabinet can then have regulations that set out the operation processes. So, from that standpoint, when the

Chief Officer mentions that we have a draft, we have a draft from Legal Drafting of the Principal Law that as a policy team we want to look at and make sure instructions were followed.

A working group was established by Cabinet in July, 2018. We are taking it back to that working group so that they can see instructions were followed, before we send it to an informal, wider, consultation. And I really want to make the distinction here, for the purposes of this Committee, that that draft will be an initial consultative draft. So the working group just wants to check that, before we put something out on the public, it looks solid enough for that, but draw the distinction between that and a green bill. We are far from that stage, so we are inviting all stakeholders that we have identified or relevant to this subject matter, to take a look including—and we are quite transparent. I do not think that we have to be bashful in saying this, 'we are transparent'—to asking Cabinet that this is the type of legislation that I think needs to be worked up cross-party.

This is not the type of legislation where a company has to change whether it is going to file something between 15 and 30 days that only affects a small amount of people. This is something that if just one provision that can be taken either out of context, misinterpreted, misapplied, it could impact the most vulnerable in this society. So, we look forward to working with yourself, Mr. Chair, in your capacity as Leader of the Opposition to have all hands on deck to improve this legislation.

In terms of timing, to return to your question, we would like to bring this legislation to the Floor of the House to be debated before the end of 2019. Key to that though, is that we would like, as part of the consultation process, Quarter 3 and Quarter 4 of this layer, to also work on the regulations, so that what does not happen is that you have a nice piece of legislation that is sitting on the books for 2019, but it is before 2022 before we actually have the regulations. We would like to have a smooth process in which the principal law is in hand, it is passed by the House, and maybe we have to do an adjustment or two here to the regulations, but it follows shortly thereafter.

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Through you, Mr. Chair: If I could add to my DCO's comments, that although the process is taking us some time, the timing is imperative because we want to ensure that the contents of the law, as previously indicated, are relevant. Relevant not only to our people of today, but that we can carry into the future and that will give us the guidance that we need and the foundational pieces that we need to truly ensure that services are being provided to the right people.

The Chairman: Mr. Christopher.

Mr. Christopher S. Saunders: First of all, I would like to thank the witnesses for that update. I could not stand the name "Poor-Relief Law" so, I am just happy to hear that name being changed because certain things come with certain connotations with it, and that is one of them I never liked.

I am just looking at the Auditor General's Report and, in particular, Item 7. I am going to read it just to refresh the memories: "The Committee agrees that the Department of Children and Family Services and the Needs Assessment Unit were failed at the Ministry level by the lack of strategic policy dealing with social welfare." The response is: "The Ministry acknowledges this comment as aforementioned, in order to have clear strategic guidance as it relates to social welfare. The NAU, in partnership with the Ministry, will review the Poor Persons Relief Law and enhance internal policies by the end of 2018." [UNVERIFIED QUOTES]

One of the things I want to get an update on is in terms of where we are. I recognise that you guys are working on the legislative aspect, but in the meantime and in between time, where we still have a service to provide to the public, just an update in terms of where we are with regards to strategic policy and also, what enhancements have been done to internal policies that would increase some level of coordination and having those departments work in sync.

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Thank you and through you, Mr. Chair.

I am pleased to indicate that we have an established strategic framework in place that will guide our processes and the vision of our strategic framework is to be able to provide sustainable and transformational financial services for the Cayman Islands. We have established a key mission and we have also established specific and broad key goals that will guide the direction that we are going in and ensure that the needs and the services are indeed met.

For the benefit of the Committee, if you would like me to go in to some of the details of this, I would be happy to. If not, we are more than happy to provide this to you separately for your benefit.

The Chairman: It is best if you give us a copy so we can look at it at committee Stage.

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Yes Mr. Chair.

Mr. Christopher S. Saunders: Just as a matter of housekeeping: The previous time we had the issue with the KPMG Outline Business Case (OBS) which was supposed to be followed by another business case. Have we since developed that business case or where are we with what it is that KPMG was working on from the last time?

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Through you Mr. Chair. Interesting enough, one of the key components in our Mission Statement is to provide value for money. Based on that, we have looked at the various reports that we now have inclusive of the business case that was previously received. That information, along with other information and other relevant documents as well as internal expertise, we felt is more than enough to guide our process and has allowed us to establish the strategic framework that we now have in place. So, with that in mind, we have not seen the need to place any further funding on another business case or any other external consultation.

Mr. Christopher S. Saunders: Well, Mr. Chairman, I am very happy to hear that response. I had a hard time accepting us paying \$130,000 for an outline business case, not even a full business case. And when you consider relief payment of \$650 per month; that is actually 200 months' worth of payments for an outline business case. So, I am glad to see that we are not wasting any more money going down that side when we do have the internal expertise to do that. I am still upset that we spent that kind of money only to arrive at this point, but we are where we are.

One of the things that we just wanted to touch on from an organisation efficiency standpoint is that as per the Public Service Management Law, where you as Chief Officer can delegate responsibility or some HR responsibilities to the NAU, we are a little bit curious from listening to the Director earlier, where there were some HR decisions that seems to be made, or the bulk of it is done at the ministry level as opposed to the departmental level. This is one of the things we are curious as to why in some cases, as Mr. Jefferson pointed out previously, where some chief officers delegate that. Therefore, we are a little bit curious as to why so many things are still being managed at the ministry level as opposed to being more efficient at the departmental level.

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Through you Mr. Chair: Appreciating that, we have the option to delegate. In reviewing our processes and in looking to the circumstances and the needs of our particular organisation, we felt that it would be in the best interest of the department as well as for the HR process, that it be centralised. We had an established team within the Ministry already and we had two other Officers, not with NAU, but with one of our other departments. So, by combining our resources, we centralise our HR services to the ministry to be able to provide our departments with HR support and HR services in a timely manner. And it also takes away from some of the demands that the head of department and the senior management team were faced with. What we wanted to do by re-establishing this process was to allow for the HODs

and their management team to focus on the day to day operations. With that said, the decisions by our HR team within the ministry are done in consultation with the departments and recommendations from the heads of departments are taken into consideration.

Hon. Bernie. A. Bush: Mr. Chairman, through you.

Focusing on day to day is all well and good but put yourself, would you like someone to give you someone in your department that you as a professional in your field feels is not qualified or up to par with what you want? In other words, it could almost be setting you up, which this is not being done in this case, but in thinking, if I am the head of my department, you are supposed to put me in a position to succeed, as my next-up head. I should have some say in who is being hired. I am the professional. I know what I want and what is needed on the ground more than anybody else; more than HR or whatever. Should there not be more given to heads of Departments to have some say in who they are [advocating]; some veto power or to say, *Yes, these are the three or four that I would like, or that we feel (myself and my people in my department) is right for us?* Is that not better than some HR personnel making decisions and handing them people that may not fit?

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Through you Mr. Chair: Again, appreciating and completely understanding the concern that is being posed. Again extremely important for me to explain that although it is a situation where the HR responsibilities are centralised to the Ministry, we completely involve the departments.

Whenever it is a situation that we go through recruitment, the head of the department, her deputy or someone that is identified by either one of them, sits on the panel and so, they are very much involved with who is selected and who is within their organisation, because we very much appreciate that it is those individual, those new staff members coming in, they will have to work with the existing staff complement and that head of department. So, the recommendations in regards to who is hired, comes from a panel which includes either the head of the department, their deputy, or one of the managers that they have identified. And at that point, those recommendations are then filtered onto me, as Chief Officer for support. It is very, very, rarely, that we have a situation where those recommendations are not supported.

The Chairman: Two years ago, we were told that the projected staff complement for an effective NAU was 40 persons. July last year, it was at 33, and I drew the conclusion and indication that additional staff personnel were going to be added. We are still being told today, that the staff complement is at 33. Is there any likelihood that the department will be increased in the 2021 budget to 40 or above?

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Thank you for your question, Mr. Chair.

The budgeted amount of 33 posts, when we review those numbers and took them into consideration, we had in that amount, about seven posts that were vacant. Again, in reviewing our services, and ensuring that we were making the right decision, we felt it necessary to fill those posts first, before making any further decision about increasing the staff compliment.

The Ministry has endeavoured to ensure that the vacancies have been filled. Unfortunately, there have been a few occasions this year, where we have had some resignations and so, we would fill the posts and then resulted in one or two being left vacant. However, again, the Ministry supported the department ensuring that recruitments are done in a timely manner and that the posts are filled as quickly as we possibly can get them filled. We would like to assess the staff compliment and their performances before making any further decisions about increasing our headcount at this point.

Mr. Christopher S. Saunders: For the listening public's clarity, I just want to make it perfectly clear that the Public Service Management Law gives the Chief Officer ultimate responsibility for HR within this section, and they are the ones who ultimately will be held accountable if something goes sideways.

I do not want anyone to feel as if though there is something that somebody should not get because, the person who is responsible for HR is, ultimately, the Chief Officer as per the law.

One of the things I am curious about with regards to the turnover in NAU, in particular, is the exit interviews. What have we learned from the exit interviews of those people who have left? I am assuming exit interviews were done. What have we learned in terms of what it is that we can do better in order to reduce future turnovers?

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Through you, Mr. Chair. There are those occasions where, unfortunately, we invite persons to do exit interviews and they choose not to. From the ones that will participate in the exit interviews, the reason that they are leaving the organisation may vary depending on their circumstances.

Again, we are reviewing the information because, some persons have recognised that that is not the field of work that they want to be in. It is somewhat of a stressful job and some people do not realise the extent of the stress that is in that job until they get there and actually start to work. That is becoming more and more obvious, and we understand and appreciate that if it is not in that individual's best interests for them to remain there, that we support their resignation.

There are other aspects for us to look at and to also take into consideration and again, whether or not it is a situation where the training needs of the individual are at the level to meet the demands within that organisation, is something that we also are looking at reviewing. I am mindful that staff members, for example within DCFS require at least a Bachelor Degree to truly be able to deal with the complexity of the cases that they face on a regular basis, so it might be necessary for us to look at the training needs of the staff members within NAU as well.

I understand and I appreciate and we completely support that there is some internal training that is done with the staff within NAU but, again, we are going to have to look at this closer to ensure that the staff within our organisations are truly able to meet the needs of the clientele that we have.

With that said, to go back to the exit interview, we are looking at the information that is received, and taking that into consideration as it relates to the direction that we go in to best meet the needs of our staff members as well as the clientele.

Mr. Christopher S. Saunders: Sorry. Just for clarity: the ones that actually did the interview, what was primarily the reason they left?

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Through you, Mr. Chair. I am speaking from a general perspective and would be very happy to provide you with additional information on this, but again, for some of them it was that their career was taking them in another direction. Some of them made the decision to go back to school. It has been various reasons and I am not shying away from the fact that some persons have recognised that they are just not able to deal with stress of the job.

Mr. Christopher S. Saunders: In your opinion, and this is one of the questions I posed to the previous director that was here: I do recognise that within our structure we have created, especially within the private sector, because most of the clients that you would have would have been people who were previously employed in the private sector; because had they been Government employees to some extent, then they basically would have had the medical and at least a decent pension and so forth considering. Not to say that there are not previous public servants there, but recognising that we have a Pension Law that basically will have people's pension run out half way through between when they go to retire versus the mortality rate. I don't know if you caught the previous thing, but just to, kind of give an idea.

Within the private sector, 10 per cent pension contribution which basically means over a 10 year period, would have accumulated a one year salary and if working 40 years, this would have accumulated a four year salary, and even of the market was to

double your money during that period of time, we are talking roughly eight years of salary in terms of the private sector. And then, when we consider that our mortality rate has men going at 79 and women going at 84, we are talking about males needing at least 14 years' worth of salary post retirement and females looking at around 19 years of salary post-retirement.

I remember from the budget when the CEO for CINCO was here. A lot of people as soon as they retire from the private sector they go and they get CINICO and he had remarked that the true cost of covering a person at that age is between \$1,300 to \$1,500 per month. I am also mindful that under the current Pension Law, the maximum a person can get per month is \$1,080. So, having created a situation right now where people retiring from the private sector, in essence, will become a future burden within the government, that is something that we in this House (the 19 of us) would have to find a way to fix.

In essence, it is a problem that we already see coming and it is going to be growing every year. Because one of the best medical plans you can have right now in the country is actually to be an indigent and then the government basically covers you. So, we do recognise that. And I say all of that to say: as a chief officer, and I know you have had years of experience working in this field, what do you think it is that we need to do?

The Director mentioned before that resource is one of the biggest things that she needs. I can tell you from we sit, at least I would like to think my colleagues think the same way, is that we should be focusing on preparing people to be better able in helping themselves as opposed to looking at ways to grow this issue. So, I say all of that to say, what do you think we need to do as a society or as a country? And having been involved at the ministry level to actually not have this problem compound, because the current structure is going to make this problem worst in the next five, 10 or 15 years. We saw it last year with NGS 55. I remember that budget number starting at \$10.8 million and two increases later it ended up at \$25.4 million for one year. Over a four year period that is over \$100 million. That is a lot of money. So, the question in that long preamble is: from where you sit, what do you think it is that we need to be doing better, or differently? But it cannot be a situation of believing that we can just keep throwing money at a problem when the issue is more structural than anything else.

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Through you, Mr. Chair: That is an absolutely brilliant question and it is very much supporting the direction that the Ministry is focusing on and the direction we are also wanting to look at and take into consideration.

The Ministry's overall vision is to empower people and enhance lives, so we do not want to find ourselves where we continuously face a problem and

throw money at it, but rather, we want to be very, focused on some of the preventative pieces. With that said, it is not a question that has a straight-forward answer and it will require proper planning, it will require the coordination, not only of the Ministry of Community Affairs, but with a number of other Ministries, to ensure that we are looking at the problem from a very holistic approach and that we are establishing a National Strategic Plan to deal with these issues because no one ministry or department can do it on our own.

When we are talking about social issues, it is very vast, and so, we are taking into consideration Ministry of Health, Ministry of Education, and we are working already with some of these ministries, to ensure that the plans that we are starting to develop are looking specifically at what is it that we need to do to move away from increasing our budget but, rather, to focus on some of the preventative pieces. Unfortunately, sir, it is a long response and it might not be specific to answering the question, but I will say to you is that it is a work in progress.

The Chairman: Any other questions?

Getting back to the vacancies, what is the average timeline between a vacancy being created and a person being put back in the seat?

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Mr. Chair, the process as it is now is that once we receive resignations from persons, the advertisement is sent out within that week. The longest period of time in regards to the advertisement process going out is a two-week period. Once we go through the advertisement process of reviewing the applications, shortlisting, I cannot specify that there is a set time, for the mere fact that there are factors for us to take into consideration. It might be from the point that we have done our advertisement and done our interviews, move very, very quickly. Once we are making offers to people, there might be some delays because we have to wait for them to give us a response, wait for their documentation to come in to us and the medical to be completed, before the actual appointment takes place.

What I will say to you, Mr. Chair, is that the Ministry and the HR team work very, very hastily to ensure that those posts are filled in a timely manner, because we recognise that with both of our entities and both of our departments, it is essential that they have the relevant staff within their organisation.

The Chairman: If there are no more questions, let me take the opportunity to thank you for coming.

Mr. Christopher S. Saunders: Apologies. I know the Chairman is about to thank you but, one of the things I just want to make clear is that when the separation was done between NAU and DCFS (I could be wrong

(and I hope I am wrong), looking at what came out of the audit program, I think, in hindsight, we should have had DCFS here also. I noticed a lot of focus has been on the actual payments and not the programmes, and I think it is important that we actually have both going hand in hand. One of the things I think, Ms. Hurlston mentioned was having people register at the NWDA and everything else but, registration is just one part of things as we already accepted that NWDA has not worked. Thus, the reason we created the new department of WORC, because that in itself is recognising certain issues. What I am saying is that we need the social programmes.

The Auditor General mentioned in a previous report that we need to move our budget from output to outcome. And that is one of the things. We are hoping not to see 2,000 hours of visits or 300 visits and that kind of stuff, but rather, something tangible, something concrete. Ultimately, this is one of the very few departments that literally face the public on a daily basis and one of the few areas that most Members in this House would probably have to be dealing with because, most of the time, when people come to us with a problem, it is where we have to reach out to one of your departments, so it is always a very high profile department to begin with, and I know that you have dedicated people that work there. I have interacted with many of them and I really want to pass on my thanks.

What we want to make sure of, just briefly kind of give the Committee [some feedback of] what is being done from a Ministry level in terms of coordination between those that are receiving the payments versus those who need the programme because, ultimately, the programmes are designed to get the individuals to help themselves so they will be needing less payments. So, the question is: what is being done to make sure that we are looking to reduce those numbers? What I am hearing is that the numbers keep going up and what is going to happen is: a) it means that more people are coming on or b) the programmes are not addressing the issues they need to address. So, which is it? Is it just the economic situation where people are climbing on? Or, how do we find the balance between the two?

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Through you Mr. Chair.

We recognise and we also very much appreciate that, the financial services and the financial component is only one small aspect. Whenever persons come in for financial assistance, there are underlining issues and henceforth, that is why it is so important that that coordination and that collaborative approach between both NAU and DCFS is ongoing; that it is very strong and very stable.

Having social workers within that organisation is actually to the advantage of the clientele because, when they are coming into the organisation for specif-

ic financial assistance, the other underlining issues that have been identified can also be looked at and taken into consideration right there, without them going anywhere else. And again, what we are trying to do is to meet the clients where they are and not have them move from one place to the next.

We have seen this process of collaborative approach work in other jurisdictions and so we feel very confidently that it will work here. It will require some organisation; it will require us monitoring to ensure that the needs of the individuals are truly met in a timely manner and that the specific needs are being identified so that the preventive programmes and the intervention programmes are being offered along with the identified needs. Again, those are areas being looked at and are developing. But what I will say to you is that that collaboration between those two entities are being supported by the Ministry and we have seen the benefit of such an approach in other jurisdictions and plan on developing that further within the Cayman Islands.

In addition to the works between our organisations, there are intervention services and educational programmes offered by other departments that again, it will be necessary for us to coordinate with them and make referrals as necessary. Again, I reiterate what I said earlier, we are working with not only the two agencies or the two departments under our Ministry, but with a number of other agencies to try to take that holistic approach and truly meet the needs of our clientele, which we know for many of them is not one issue, but it is a number of issues that we have to look at and pay attention to truly get them to the level that we want to get them as a stable and a productive citizen in our country.

Mr. Andre Ebanks, Deputy Chief Officer, Ministry of Community Affairs: Mr. Chair, through you, if I may add to that and expand, I think Mr. Saunders has hit the nail on the head, and I am going to try to link a few points that have been discussed together.

In terms of taking a step back to what are some of the pain points for an employee, why they might leave, maybe some of them do not do exit interviews but Cayman is small and you can have a cup of coffee and say *Well, why did you leave?* Some of them struggle and it sounds like a small point but it is large when you think about it with the department's database. So, if the database is outdated and the technology exists within government and other departments that can make their life easier that is taking them something like three hours to do that the computer can do in five minutes, that would then obviously impact an employee's life.

To paint a picture for the public: Mr. Bush has an iPad; imagine if he had a typewriter over there, the amount of time it would take him to perform a function. Now you take that and think about it from the client's perspective, as that was the employee's perspective.

From the client's perspective, the database being expanded is also to improve the reporting and the statistics of the department.

There are two points, Mr Saunders, which I want to pick up on: You mentioned that it is a high profile department and you will feel the pain of it because you will feel a constituent coming to you. So, think of it as cause and effect. This Ministry is dealing with the effect. So we are not dealing with the underlying cause. By the time the problem gets to us, the bomb has already gone off. We are trying to help the person once the bomb has exploded. I am not saying that to pass the buck to other ministries, but it is going to take a coordinated effort amongst ministries to deal with the root cause first before we can help someone for financial assistance.

Think of it this way: you used another word in your question called 'structural'. This is why I think this House struggled with the question in a Finance Committee debate, I think, last year, when one of the Members of the Opposition says, *Well, how is it that the Government has a budget surplus and thriving industries but then you still have people who have financial assistance?* The reason for that is that there are folks who might call it imbedded poverty and there might be people who call it structural poverty. But it is because there is a category of individuals either, their age, or they are unskilled; maybe young mothers with small children or the children themselves, that the economy will bypass because of their circumstances because they are not marketable and as attractive as maybe a skilled worker.

What we have to do in this country is to find out what is happening with those cases, stratify the database so we can now mine the data that NAU is bringing in. So, people are coming in and the volume is coming in, but what we are finding is that until we enhance the database so that we can drill down and categorise the clients and see who is in which category, who exactly is able-bodied, who is coming in because it is a foreclosure, who is coming in because they are under-qualified and are doing a job that they are not making their potential earning power—until we do that to then be able to arm the other ministries with that data, it is going to be really difficult for this to be fixed. Your question is absolutely right; it is just mushrooms year after year.

So, I wanted to give this Committee some tangible outcomes that when we say database, it is not just an excuse; there is a real reason why we want to enhance the database to pull out the evidence to be able to arm the other ministries. There is a real reason why we want to update the legislation to make sure that it is fit for purpose. These are not pie in the sky mission statements and we will come back in a year and spin our top in mud again, we are designing tangible goals to get to the end result which is to enhance people's lives.

Hon. Bernie. A. Bush: Beautiful. You have made it crystal clear. The bomb has gone off and that is when you all get that.

Sir, you were also talking preventative, building up; is it the DCFS that is responsible for programmes?

Mr. Andre Ebanks, Deputy Chief Officer, Ministry of Community Affairs: It is a good question. Their programmes are again, in relation to someone who is already suffering from something.

The programmes I am talking about is whether or not, from the instance of a child, has the education system benefitted that child that they reached their maximum potential so they never have to go to the DCFS in the first place.

Hon. Bernie. A. Bush: Believe me, Mr. Chairman, education we know is another rotten egg on the spoon. Are there any programmes that the DCFS are presently putting on? And, are they doing anything in the districts?

Mr. Andre Ebanks, Deputy Chief Officer, Ministry of Community Affairs: Yes.

Do you want to speak to re-structuring? This is a good opportunity.—[*Speaking to the Chief Officer*]

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Through you, Mr. Chair: There are various programmes being offered in the community, and we are also looking at how we continue to establish some of the services, as well.

We have gone through our re-structuring process for DCFS, which allows the organisation to be divided into specialised teams. We have various teams now; the officers are responsible for elderly and disabled. We have another team for youth services and another team responsible for adoption and foster care. Again, these are areas that we continuously look at, we are continuously reviewing. We have established community development officers. Again, that is an area that we are looking at expanding in and developing those services so that our officers are providing some of the intervention services right in the homes and right in the community.

As we think about our foster care program, for example, what we would like to see is, instead of our children coming into foster care, we would like to have established foster care families that are jointly working with other families in the community, so we are not removing children from their household but, rather, we have two families that are supporting each other, that are working with each other. Those are some of the programmes that are being developed.

Some of the intervention services that are not readily available within DCFS but are applicable to our clientele are: we have partnered with some of the other agencies because they are already offering some

of the services. Some of the parenting programmes and some of the other intervention programmes are being offered already in the community. So, what we are doing is partnering with other entities to ensure that the services are being extended to the clientele that need to benefit from it.

Is there still room for growth and development? Yes. Is it an effort for us to continue to address some of these concerns and some of the issues? I think that we have a perfect opportunity now, because of the specialised teams that have been established within DCFS to truly meet some of the needs in the community and work with the agencies that are already providing services in the community at this point.

Hon. Bernie. A. Bush: Thank you, Mr. Chairman.

Now, the one thing I did not hear in there, because I know it was a three-section question; three questions I really asked.

Can you name any programmes in the districts? We are interested to know.

[Inaudible interjection]

Hon. Bernie. A. Bush: We do not want in any adversarial position. We want to work and some of us are almost on the ground, as much as anyone else. And a perfect example, just to tell you how things have gone awry: the courts gave a young man community service. I wrote and requested for the young man's—well, he is a big man with children—assistance, to help with the children at West Bay Primary School. You know what the department told me? They could not give him to me. They sent him to Humane Society to walk dogs. Now the dogs were more important. But that is a policy, they told me. So that is just to tell you why we are asking these types of questions, on this particular one.

Can you name any programmes in any of the districts, please?

Ms. Teresa Echenique, Chief Officer, Ministry of Community Affairs: Through you, Mr. Chair. For the benefit of the entire Committee, it might be best if I was able to provide a listing, so that I am not providing inaccurate, nor am I eliminating any information from the Committee members. So, I will be happy to provide a list of the services that are being offered. I am mindful that it also depends of the timing. Some of the programmes cannot be offered all year round. I will provide you with their annual schedule in order that the Committee members will have an indication of some of the services that are available in the various districts and in the community on a whole.

Mr. Christopher S. Saunders: Mr. Chairman, first of all, I thank the Chief Officer and her team.

One of the things I think is important for everyone, especially the Members of this House, is to recognise that this is not a problem that is only for the Ministry; it is a problem that every single one of us inside here share and thus the reason we have taken the tone we have taken today, in terms of not trying to go back and see what the problems in the past were, but rather to see what we need to do to fix it going forward. At the end of the day, there is no future in the past.

One of the things I want to publicly commit here today is that whatever programmes are being done in Bodden Town, call on me and I will be more than happy to help, promote and push them out there. I note this is one ministry that has taken a lot of blame within the public and the public will always criticise and I accept that, but at the end of the day, we must always seem to be a part of the solution as opposed to a part of the problem. This is not just something that we can just leave on the Ministry, as I have said before.

If there are any other programmes going on anywhere else, send it to all the Members of this House because at the end of the day, if they do not want to roll their sleeves up and come out and help you guys to deal with a problem that they themselves have also created too—because this body has created some of those problems that we have in society—let me know so I can go beat them on the political trail.

I just want to say, Ms. Teresa, thanks very much for coming here today. Like I said, I know it is a stressful Ministry that you have. It is one of the very few that faces the public on a daily basis and you will take the criticism. I do not want anyone listening to think that the PAC has gone soft, but rather, to more echo the point that this is a problem which is not just for the Ministry but for all of us in the society. This is, at the end of the day, a community that is about caring and sharing, and those are some of the values that we need to bring back.

I like some of the answers that were given today. I like the fact that you guys are getting rid of that Poor Relief Law. I hate the name of it, I cannot stand it. It takes away the dignity of our people. So, I just want to say, on behalf of my Committee members, thank you for coming and we really appreciate what you guys are doing and whatever we can do to help, just let us know. We are still on the same team here.

Hon. Bernie. A. Bush: Yes, and could you pass on to your staff at NAU, especially, that we appreciate the hard work. They only hear the criticism and never the praise, but tell them thanks very much for the long hours because believe you, me, I have seen it personally. After 10 or 11 o'clock we see staff at work is unbelievable, and to find out today that they are not getting overtime, that is poor.

Thank you very much.

The Chairman: Thank you all very much.

With that, the Committee will be adjourned until 9 o'clock tomorrow morning.

At 3:04 pm the Public Accounts Committee stood adjourned.



Legislative Assembly of the Cayman Islands

THE STANDING PUBLIC ACCOUNTS COMMITTEE

MINUTES of Meeting with Witnesses

Thursday, 17th January 2019 at 10:30 am

FOLLOW-UP ON PAST PAC RECOMMENDATIONS –OCTOBER 2018

Present:

Hon. D. Ezzard Miller, MLA - Chairman
Mr. Christopher S. Saunders, MLA - Member
Ms. Barbara E. Conolly, MLA – Member
Mr. Austin O. Harris, Jr., MLA - Member

Attendees: Ms. Manesa Webb, Committee Clerk
Mrs. Sue Winspear - Auditor General, Office of the Auditor General
Ms. Angela Cullen - Director of Performance Audit, Office of the Auditor General
Mr. Kenneth Jefferson, Financial Secretary & Chief Officer, Ministry of Finance and Economic Development
Mr. Matthew Tibbetts - Accountant General, Ministry of Finance and Economic Development

Apologies:

Hon. Bernie A. Bush, MLA – Member

Witnesses:

Ms. Jennifer Ahearn: Chief Officer - Ministry of Health, Environment, Culture & Housing

1. Meeting to Order

There being a quorum present (Standing Orders 77(2) refers), the Chairman called the Public Accounts Committee Meeting to order at 10:30 am.

2. Welcome

The Chairman gave a brief welcome to Members of the Committee and thanked them for attending the Public Accounts Committee (“PAC”) Hearing. He also welcomed and thanked Mrs. Sue Winspear, along with Mr. Kenneth Jefferson and Mr. Matthew Tibbetts.

The Committee was advised that they would be dealing with the Auditor General’s Report entitled, *Follow-up on Past Pac Recommendations – October 2018*.

Review of the Follow-Up on Past Pac Recommendations –October 2018

▪ *Follow-Up On Past Pac Recommendations - October 2018*

The Chairman invited the witness, Ms. Jennifer Ahearn, to the Chamber. Administration of oath was administered and thereafter, Ms. Jennifer Ahearn was welcomed and thanked by the Chairman for attending the meeting, and told to state her name and title for the record.

The floor was then opened by the Chairman for Members of the PAC to question the witness.

Discussion ensued with questions being asked to Ms. Jennifer Ahearn by the PAC members. Before departing the Chamber, Ms. Jennifer Ahearn was again thanked by the Chairman.

3. Any Other Business

There was no other business on the agenda.

4. Scheduling of Next Meeting

The next meeting with witnesses was confirmed for:

- Wednesday, 30th October, 2019, at 9:00 am.

5. Adjournment

There being no further business, the meeting was adjourned at 12:43 pm.

**OFFICIAL VERBATIM REPORT
STANDING PUBLIC ACCOUNTS COMMITTEE
WEDNESDAY
17 JANUARY 2019
10:25 AM
*Meeting with witness***

“FOLLOW-UP ON PAST PAC RECOMMENDATIONS—OCTOBER 2018”

Verbatim transcript of the Standing Public Accounts Committee meeting held 17 January 2019, at 10:25 am, in the Chamber of the Legislative Assembly Building, George Town, Grand Cayman.

PAC Members

Present: Hon. D. Ezzard Miller, MLA, Chairman
Hon. Bernie A. Bush, MLA, Member
Mr. Austin O. Harris, Jr., MLA, Member
Mr. Christopher S. Saunders, MLA, Member
Ms. Barbara E. Connolly, MLA, Member

In attendance: Mr. Kenneth Jefferson, Financial Secretary/Chief Officer, Ministry of Finance and Economic Development
Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development

Audit Office: Mrs. Sue Winspear - Auditor General, Office of the Auditor General
Ms. Angela Cullen - Director of Performance Audit, Office of the Auditor General

Witness: Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing

[Hon. D. Ezzard Miller, Chairman presiding]

**MINISTRY OF HEALTH, ENVIRONMENT,
CULTURE AND HOUSING**

**ADMINISTRATION OF OATH
OR AFFIRMATION**

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: I swear by Almighty God that the evidence I shall give to this honourable Legislative Assembly shall be the truth, the whole truth and nothing but the truth.

The Chairman: Good morning, Ms. Ahearn, and thanks for attending. I know you have a busy schedule, so we always appreciate when Chief Officers can find time to attend PAC Meetings.

As you would have been made aware, what we are dealing with today is the Auditor General's follow-up report on implementation of recommendations made by the PAC to the Audit Office, as it relates to your Ministry. You would have seen the Government Minute which was in response to some of these that were tabled in June 2018.

One of the concerns we had at that time, which is still outstanding, is the update on the National Health Plan. I think a commitment was given that we would try and have the review done by 31st Decem-

ber, 2018, and then move to an implementation plan. So, where are we with the National Health Plan?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you, Mr. Chair, and good morning to the members of the Committee. Thank you for the opportunity to come and clarify any of the questions that the Committee might have regarding work that the Ministry has been doing.

In regards to the National Health Policy and Plan, we had hoped, as indicated in the Government Minute, that we would have completed the review and update of that plan by December of last year, however, the status is that we have deferred that to be dealt with later this year in collaboration with the Pan American Health Organization (PAHO). The reason for that (there were several reasons behind it) is we had some other work items that needed to be dealt with. And also, we are in the process of getting on-board some additional staff at the Ministry in the area of health and I wanted to have those recruitments completed, so that those members of the team would be part of that process once they are on board. So, we are planning to start that review later this year.

I would say though, Mr. Chair, the policy still remains a live document for the Ministry. The vision within the policy is still something that everybody is working very hard to reach, which is the health and well-being for all persons in the Cayman Islands, and

we are keeping those strategic directions and objectives in mind as we are working with the other areas, as well.

The Chairman: I should have reminded you that you needed to give us your full name and your position when you answered, but you can still do it.

During that six month period, as you will be aware, we have had some concerns about the Health Services Authority. Have there been any policies sent down from the Ministry, in keeping with the vision and the plan, to the HSA Board to get them to address some of the concerns we have had here as the PAC, with the Health Services Authority?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: For the record, I am Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing.

Mr. Chairman, I guess, I would like some. . . The concerns you have mentioned that the Public Accounts Committee had with the HSA, is that in regards to their finances?

The Chairman: Largely so, but also, in regards to their quality issues, the monitoring of quality of health care, the assurances, the matrix by which they are determining that their quality of health they are giving to the public is an accepted standard.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you for that.

The issue of matrices and reporting, and the quality of care, is something that we see as a really key piece of work that will come out of the work to update the National Health Policy and Plan. At the moment, a lot of those indices or data are done more or less on an ad hoc basis. They are monitored. The hospital does report to the board and up to the Ministry through the board, on things like hospital-acquired infection rates, the near-misses and those sorts of things. We also receive updates from the hospital regarding the matrices, or the results, coming out of the CayHealth Programme, which is the primary care programme for the indigent population. And we are seeing that their health outcomes are improving. We are seeing that there is a higher level of controlled hypertension and diabetes, as opposed to what was in place prior to the CayHealth.

So, those things are happening, we are getting that, but it is certainly an area that we need to strengthen and it is something that we need to also look at; what we need to put in place to get that kind of information on a more regular basis, from all of the health care providers. And I do see that as a key piece of work that will come out of the update of the health policy.

The Chairman: Can you tell us whether any measurements of those indices involve pay review or medical audit? Not that I would expect that you get reports on individual cases, but what methodology are they using to demonstrate that their care for hypertensive patients or diabetics is improving?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you Mr. Chair.

I am not familiar with the methodology and the peer review that they are doing at the hospital. What we receive are the updates, in terms of the data, showing the percentage of patients who have control of hypertension or who have the HBA1C which is the measurement of control to diabetes and those numbers. But I am not familiar with their processes behind the scenes.

The Chairman: You mentioned that you were expecting to get some involvement or assistance from the Pan-American Health Organisation (PAHO): what form is that going to be; consultative or secondment of staff?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: The Pan-American Health Organisation has provided and continues to provide us with excellent technical support. For example, when we did the original National Health Policy and Plan, they provided us with a consultant who came and facilitated the process and assisted with the writing of the policy itself; that is the kind of technical support we are anticipating with the review. We have had some discussion with the Pan-American Health Organisation already, in terms of some of the assessments of, or achievements against the policy that would form the baseline that we would move forward on. Again, that is the sort of assistance we are anticipating from them.

The Chairman: If we could move on to recommendation 2 in the Government Minute. Where are we with the other legislative review of the Health Practice Law, Pharmacy Law and the Public Health Law?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you, Mr. Chair.

The Public Health Law review is ongoing. We convened a Review Committee in 2018 that included representatives from the relevant Government Departments as well as some representatives from the private sector. We are hoping to present the recommendations from that Committee to Cabinet in the coming month or so, and hopefully, get approval for drafting instructions to be issued to start the process of actually drafting it. The Public Health Law is a very large and broad law and it has not been updated for

some time. So, we are expecting that the actual drafting process might take some time, but once we have that other draft we will be looking to come out for public consultation, likely later in the calendar year.

The Pharmacy Law: we have a draft Bill for the Pharmacy Law that we are hoping to present to Cabinet sometime in the next month or two and that would be for getting Cabinet's approval to bring the Law out for public consultation. We have been working closely with the Pharmacy Council over the last several years to get the draft Bill prepared. So, we are looking forward to getting the opportunity to come to the public and to get feedback from the broader stakeholders as well as the general public on that.

The Health Practice Law amendments are something that we have identified for later this year to be done. We had started to look at, and we have been getting feedback from the various councils, on sort of a continual basis and we compiled that, but we have decided that given that, we want to look at the information or the data collection that I mentioned earlier. We thought we would wait until we have done that exercise to see whether we need to put things in the Health Practice Law to compel the facilities and/or the practitioners to provide the data that we are going to start looking for once we get that framework together and propose. It is something that we are going to be looking at later this year.

The Chairman: Would it not be better to put the reporting requirements in the Public Health Law? Is that not where most of the disease reporting requirements are now?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Yeah. The communicable disease reporting requirements are in the Public Health Law and one of the recommendations with the Public Health Law is to update and amend some of the requirements in terms of what is reportable communicable disease.

The justification or the thought behind looking at whether to put the recording requirement for the statistics and the health information with the Health Practice Law is to tie it in with the health practice facility certificate so that it would be a requirement or condition of their certificate.

The Chairman: The Health Facility Certificate or the individual professional certificate?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: It would probably be—and again, this is just very preliminary. We have not had a detailed discussion but I think it would probably be tied to the facility certificate so that the facilities where the practitioners are practising, would be reporting on the data for that facility.

The Chairman: In recommendation 4, have you gotten any staff recruitment in place, to improve the capacity to monitor the health systems and stuff like that?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you, Mr. Chair.

We have been able to get some additional funding in the most recent budget process to have an extra, very additional policy officer at the Ministry of Health, to which we are in the process of finalising the job description through the Portfolio of the Civil Service. The Department of Health Regulatory Services which monitors the practitioners, the health care facilities and the Health Insurance Commission, has an additional administrative secretary post that they are in the process of recruiting for. There is also an additional health insurance inspector post that was approved in the budget which they are currently in the process of recruiting for as well. So, there is an ongoing recruitment now that will enhance the capacity. We have been very fortunate that because the financial situation has improved quite recently, that we are now able to get some of the extra resources we need.

The Chairman: This has been an ongoing question for years and it came up again yesterday when we were dealing with the NAU (Needs Assessment Unit). Has any consideration been given to removing the requirement for indigent certification to be signed off by the Minister as opposed to admin staff?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, I actually had a discussion with the Chief Officer for Community Affairs just last week around their work with the Poor Relief Law and the need to look at that process. I know that it is something that they are actively looking at as to how they might better manage that, because they have identified that as an issue that they need to address as well and we are standing by to support them.

The Chairman: My problem is that we have been looking a long time.

Recommendation 8 where the Government would evaluate and design a performance of the Cay-Health programme as appropriate, to extend it to cover the wider population, can we have an update on what has transpired since July with that programme?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you, Mr. Chair.

I have been advised by the CEO (Chief Executive Officer) of the Health Services Authority that the discussions they were having with the Civil Service Association actually had been put on hold pending the

outcome of the discussions around whether or not the health insurance for the civil servants was going to change. You may recall that there was some discussion that the Government may move to asking civil servants to contribute towards their health insurance premiums with the proviso that it would be opened up to the private sector as well. Obviously, that question needed to be answered before we were able to move forward. They decided between them (CISCA and the HSA) that they would sort of, park the discussion about expanding the CayHealth to the civil service until that had been resolved. I have been advised by the CEO that now that that has been resolved, they are planning to resume those discussions and look at rolling out the CayHealth programme to the civil service through the Civil Service Association discussions.

I think that the CayHealth programme is based on preventative and primary care and aligning the patient with the primary care position who is charged with monitoring that patient and looking at their health outcomes. I think that moving towards that model is a really great idea because we have seen with the indigent population and the improved health outcomes for those patients who are chronically ill and to expand that across the broader patient pool has to be of benefit.

The Chairman: Just on a broader general position: How does the Ministry action the commitments given by the Government in a Government Minute? Is it through a policy directive or to the agencies such as the HSA?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, it depends on the nature of the recommendation or the undertaking in the minute. For example, there was something that we had agreed that an agency would undertake, and then we discovered that they are no longer undertaking it, or they have not embarked on it, then that would be, if there has not already been a formal directive, a formal directive may be issued. But the issue with the Legislative review is something that we are doing at the Ministry level in consultation with Cabinet and our Minister, in terms of identifying the timelines and the priorities and so on.

The Chairman: Does not the HSA legislation itself require policy directives from the Ministry in order for the HSA Board to action policies implemented by the Ministry? And, is that not also what the Public Authorities Law envisage in terms of communication between a ministry and a board?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, I do not have either the Health Services Law or the Public Authorities Law in front of me, but they both do provide for directives to be issued and the Health

Services Authority Law says that the Minister may issue directives to the board, provided it is not something that is already in front of the board. And I think the Public Authorities Law language is slightly similar. So, I think the Law creates the opportunity, should the Minister or Ministry feel that a directive under the Law is required, to issue that directive.

The Chairman: So, the fact is that [since] you, as Chief Officer sits on the board, it would be the normal process of communication as opposed to a formal directive?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, that is correct.

The Chairman: Okay. The Ministry of Education put some funds aside, half a million dollars, under "Medical" to fund scholarships for Caymanian doctors, to pursue post-graduate studies at Board-level Certification. Can you give us an update on how many doctors have been sent off for board certification training and where they are and what specialties they are doing?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, the Scholarship process is still in process. The Ministry of Education, I do not think, have finished the review and award of the scholarships for that as yet. My understanding is that they are making a decision fairly soon. They have already had the interviews with the applicants and are currently reviewing them. I am not sure what the areas of specialisation are. The Health Services Authority has been working with the Ministry of Education on the scholarships and advising them on the basis of where they believe that the areas are that we need to enhance, in terms of local specialists. I can ask the Ministry of Education for more information in terms of the number of applicants and the number of awards, but I believe the intention is to award four or five scholarships. I think it is four, because the average value of the scholarship is \$125,000 per year, per student, and there is \$500,000, as you said, in the budget. But I can ask the Ministry of Education for the details.

The Chairman: That would be appreciated.

To Mr. Jefferson: Mr. Jefferson, if none of these scholarships for half-million dollars were awarded during the Financial Year 2018, would that money lapse?

Mr. Kenneth Jefferson Financial Secretary/Chief Officer, Ministry of Finance and Economic Development: Thank you, Mr. Chairman. Yes sir.

The Chairman: Do you know, because as I recall, this was a one-off thing? It was not a situation where Edu-

cation was committing to put \$500,000 to this purpose on an annual basis.

Mr. Kenneth Jefferson Financial Secretary/Chief Officer, Ministry of Finance and Economic Development: Thank you, Mr. Chairman.

Mr. Chairman, it would be relatively easy for the Ministry of Education to make a request that those funds occur again in the 2019 Budget. It would either be through a request to Cabinet, under section 11(5) of the Public Management and Finance Law (PMFL) or come into Finance Committee under section 12; one of those two routes but, the ability to do so in 2019 exists.

The Chairman: I know what it says here, but I do not . . . It says here that . . . Some Members are suggesting that the \$500,000 is a per annum allocation; that is not my recollection because I was basically the person who advocated and fought for this in Finance Committee. I was of the view that it was a one off thing and I know that there were people lined up to get scholarships who had been trying to get some of them for 10 years. I cannot begin to express my disappointment that a whole year has gone by and no scholarship was granted.

Mr. Kenneth Jefferson, Financial Secretary/Chief Officer, Ministry of Finance and Economic Development: Mr. Chairman thank you, sir.

I am looking at the Appropriation Law which obviously covers 2018 and 2019 Financial Years, under the Ministry of Education, what is described as Transfer Payment (TP) 83. The appropriation name is "Scholarships – Medical". There is \$500,000 appropriated to the 2018 Financial Year and also a \$500,000 already appropriated for the 2019 Financial Year. So, if the 2018 Financial Year's \$500,000 has not been used, and there was a desire or need to increase the \$500,000 that has already been approved for 2019, this could be pursued.

The Chairman: Okay. But that would take some time to come back to Finance Committee.

The other question is: Can you tell us what the HSA has been doing? During this year, has it been continued to provide specialist care at the hospital through locums?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, my understanding is that they have some specialist on staff and the other areas, they do bring in locums.

The Chairman: Has the Ministry reached out to countries like Canada or to UWI (University of the West Indies), which we have, I think, annually we get two positions in the medical programme for the MBBS [Bachelor of Medicine, Bachelor of surgery]? Has the

Ministry reached out to try and get a similar thing for post graduate studies through the University of the West Indies?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair there is a Family Medicine Specialist Training programme that the Ministry and Health Services Authority have through UWI or in collaboration with UWI. I do not have the numbers with me but I can get them in terms of the number of doctors who have taken up that training opportunity to get that specialist designation locally.

In terms of reaching out to other jurisdiction and other countries I know that the Medical Director and Acting Chief Medical Officer do liaise with their colleagues through the region and look at things like the internship post that we have and have facilitated some of our doctors doing their internships in other locations when we host their doctors here. If you would like, I could get the information for the Committee regarding the number of doctors who are pursuing that Family Medicine.

The Chairman: Is that a Board Certification or is that a certificate programme?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: I would need to check.

The Chairman: Okay. But what I am thinking about is that I am aware that several Caribbean countries have arrangements with the Canadian Government for instance, where the Canadian Government gives certain concessions for specialist training to board certification. Is the Ministry involved in any discussions around that sort of stuff?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Not at this time but I think that is an opportunity we would have to look into pursuing.

The Chairman: Well, I also happen to be aware that Dr. Panton has been trying for some time to establish that kind of relationship and I am not aware that he has been making any progress for that time, because he does have full professor status at the University of Vancouver. The last time I had a conversation with him, he expressed disappointment that his overtures had either been ignored or completely rebuffed. I think that is unfortunate for many Caymanians who could avail themselves to that kind of training. I would invite you to inquire into that.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: And I will. Thank you, Mr. Chair.

Mr. Austin O. Harris, Jr.: Mr. Chairman, if I could supplement your comment with regards to University of British Columbia, Vancouver.

Through you, Mr. Chairman, certainly the Chairman is absolutely correct. We have notable Caymanians like, Dr. Neely Panton, linked to University of British Columbia in Vancouver where I have been party to conversations in which they have demonstrated a willingness to assist the continuing education and human capital development of Caymanian doctors. So, it seems, in this instance, if we have one university willing to provide the assistance, you know, we should make this a priority in the first instance.

To the Chairman's comment, however, perhaps University of British Columbia might seem too far away. We can look a bit closer to home. The University of the West Indies also, according to my information, has a Doctor of Medicine (MD) Programme in which they offer a number of specialist training opportunities where doctors can, in fact, specialise. We at one time, I think maybe we still do, have a relationship with University of the West Indies at UCCI. So, these are opportunities that are, as the Chairman pointed out, readily available to us. All we need to do is reach back and perhaps we might make this a bit of a priority.

Thank you, Mr. Chairman.

The Chairman: The other thing I would like to add is: I would ask you, as the Chief Officer, to make a specific report to this Committee, as to why it has taken a year and no Caymanian have been awarded a scholarship under this programme.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, I will liaise with the Ministry of Education and ask for their assistance in that. The scholarship is under their Ministry and I am not familiar with the process that has gone into getting to the point that we have reached, but I will liaise with them and work with them to get a report to this Committee on that.

With regards to the training opportunities at UWI in particular, I would imagine that many of our doctors, who are looking to avail of themselves of this scholarship, are hopefully looking at UWI as one of the places that they are going to go and get some training at. Again, I do not have the details in terms of the areas that they are looking to get training in, or where they are hoping to get the support to go and study, but I would hope that UWI which, as you have mentioned, is an established partner that we have had for some time (and we do have the Family Medicine Training Programme with UWI already, through the HSA, so, I would hope that UWI is one of the partners that they are looking at with the scholarships.

Mr. Austin O. Harris, Jr.: Mr. Chairman, if I may.

The Chairman: I am finished.

Mr. Austin O. Harris, Jr.: In the same vein, obviously, these questions relate to recommendation number 11, which consisted of one of two additional recommendations that the Public Accounts Committee added to the previous nine recommendations put forward of the Auditor General.

We talked momentarily about the amount of annual funding that is available for residency training programmes, and I believe the honourable Financial Secretary stated the sum was \$500,000 per annum. My question specifically, to the Chief Officer is: Do we know how much funding per annum is made available per student, in these residency training programmes?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Through you, Mr. Chair: the \$500,000 that the Financial Secretary spoke to, the TP83, is for scholarships for residency training overseas, and my understanding is that the maximum grant is \$125,000 per year, and that the scholarship, I believe, is intended to be over the life of the residency; and I understand, depending on the specialization that the doctor is pursuing, the specialist training programme can take anywhere from 3 to 7 years.

Mr. Austin O. Harris, Jr.: Thank you for that, Madam CO.

Through you, Mr. Chairman: the follow up question is the maximum duration of the funding and, if I understand you correctly, \$125,000 is available per year, for the maximum duration of that specialist training, which can, as you are quite correct, range from 3 to 7 years. So, that is a commitment that we are making to fund up to \$125,000 per year for up to as much as seven years; is that accurate?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, through you: I actually have a press release that the Ministry of Education sent out about the scholarship. The date of it is 29th October 2018. I was given this and I am assuming it is the final one that went out, but it says that it is a five year scholarship and it will allow them to pursue studies at an institution recognised to provide high level training in a speciality being pursued. The applicants will be required to return the Cayman Islands to work at the Health Services Authority for at least the length of time of the scholarship and it is valued at a maximum of \$125,000 per annum to cover tuition, other school related fees and a monthly stipend for living expenses. So, that is the information that the Ministry of Education has put out.

Mr. Austin O. Harris, Jr.: Thank you for that testimony.

Mr. Chairman, through you: First of all, I should have begun as the Chairman did, thanking you for your attendance and for taking timeout of your busy schedule to inform this Committee on what update have been completed.

I think in the benefit of the listening audience that tuned in, when we look at the context of today's hearings, there were 11 recommendations: 9 nine by the Auditor General's Office plus an additional two from the Public Accounts Committee. Of that total, 11 recommendations, according to the information we have received, two have been implemented, eight have been noted as some progress been made and one has been no progress at all.

Looking at the eight, where some progress has been noted, seven out of the eight recommendations are tied to the National Health Policy and Strategic Plan. Earlier, you spoke about determining timelines and priorities, and forgive me if I am going over a territory that the Chairman ably asked in his summary. But given that seven out of the eight recommendations have some link or dependency on the development and completion of the National Health Plan and Policy, can you inform this Committee what is the timeline for completion of that National NHPP as to ensure that the eight recommendations which are in progress, can in fact be competed and implemented within a reasonable timeframe?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing:

Through you, Mr. Chair. Thank you for the question. As I mentioned earlier, it is not that the Ministry believes or feels that the health policy is not important. It is a policy document that is a guiding framework for the work that we do in the area of health at the Ministry level. While the policy was drafted to cover the time period up to 2017, we continue to work towards the various strategic objectives and division of the policy. For example, one of the objectives looked at enhancing human capital to ensure an available competent responsive and productive health workforce to improve health outcomes, was the third objective in the policy. And the scholarship that we have just been talking about that the Ministry of Education is taking forward at the recommendation of the Chairman is one of the pieces of work working towards meeting that objective.

Things like the legislation that we have been working on, the pharmacy legislation that we are hoping to have out for public consultation in the coming months looks at improving the legislative governing framework for the health care system within the Cayman Islands. Some of the things that are being proposed in that pharmacy legislation, for example, are to do with looking at safety of products; looking at where we are getting our pharmaceuticals from and looking at requiring that there be a designated pharmacy manager at each pharmacy who is a qualified phar-

macist and is the responsible individual for making sure patient safety things are being implemented.

Some of the other things we have been doing that are still working towards this policy are things like the One Health Conference that the Public Health has done, which is looking at the overlap between Health Services, Agriculture and the other sectors. They have had the conference for two years now and I am sure they will have it again this year, and they have done it in consultation or collaboration with the Pan American Health Organization, that have told us it is one of the first of its kind in the region. It is bringing together all of the stakeholders that have a role to play in ensuring the public's health and well-being.

I say all of that to say that the policy, we do want to get to updating it this year. We are, as I mentioned earlier, in the process of recruiting some staff at the Ministry to work in the area of health, and I would like to have them on board for that process. I am hoping to have them on board in the coming months, and we have already started the discussions with the Pan American Health Organization, regarding the assistance that they are going to provide us in reviewing and updating the policy.

I do think that the vision that is embodied in the policy is one that is still very relevant today, and one that everyone, hopefully, is aspiring to, which is health and well-being for everyone in the Cayman Islands. We are continuing to try to work towards that.

Mr. Austin O. Harris, Jr.: Thank you for that response.

I believe I only have one more question, but it refers to the recommendation, specifically recommendation number 9, contained on Page 14 of the "Follow-up on Past PAC Recommendations" report which, has been identified as (of the 11 recommendations), the only one where no progress has been made at all.

Recommendation number 9 stated, for the record, Mr. Chairman, through you: **"The Government should ensure that health statistics used for purposes of planning, management and accountability distinguish between Caymanian and non-Caymanian populations."**

Whilst, the response that you provided us back in July of last year was, in my estimation, admirable, the health care does not discriminate, it provides services for all of the residents and it does not distinguish between Caymanian and non-Caymanian, I have a two-part question. The first is: Of those population demographics, Caymanian and non-Caymanian, one is a dominant population, the other is a transient population and, as such, would you agree that there are some medical conditions that maybe considered imported versus other medical conditions that may be considered home-grown, and this is, perhaps, what the Office of the Auditor General referred to, when they took the view that the collection of these

demographics are important for the purposes of planning? That was the first question.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, through you: I would agree that . . . and we do agree, that there are going to be some diseases or some things that are more likely to be imported versus home-grown. A lot of the things that are costing the health care system, in terms of care, are the chronic, non-communicable diseases, which are the lifestyle diseases: the obesity, the cancer, the smoking, the mental health. Those are the ones that can also be prevented, and the focus needs to be on the prevention of those diseases, throughout the population within the Cayman Islands.

Having the information on a Caymanian versus non-Caymanian, the position of the Ministry is not that it would not be useful, necessarily. The position that, as you mentioned, the comment was really getting to . . . the expectation is that the health system needs to provide care for everyone who is here, and meet them here and provide that care. Some of the, sort of imported diseases, are some of the possibly communicable ones. Tuberculosis is an example of something that, quite often, we see or, if people have travelled. There is a recent advisory that we issued, regarding Dengue Fever which, if you travelled to some of the areas in the region where it is actually quite prevalent right now, just to be extra vigilant about the symptoms if you experience them.

I think we need to, and I mentioned earlier one of the areas that we really need to focus on, is the information system that we have, in terms of the population's health. Make sure that we have identified and put in place a mechanism to get that data and to be able to use that to better inform some of the decisions and the priorities that we have for the health system and the work of the Ministry.

I am hoping that when we get to that point, that there will be a way to capture the data to distinguish between Caymanian and non-Caymanian, looking at the different, particularly, the big areas around the CNCs (chronic non-communicable diseases) and looking at how we can better prevent and manage them.

Mr. Austin O. Harris, Jr.: Thank you for that response and I am encouraged by that response in that, it is your testimony today that you believe those demographic distinctions would be, to use your words 'useful to the HSA'. It is interesting however, that today, that information is useful when in June 2018, the Government's response to the same question was also on page 14 recommendation number 9: **"The Government notes the recommendation, and would add that expectation is that the Health Care System would address the needs of all residents, Caymanian or non-Caymanian; the immigration**

status of the individual does not matter." So on one hand, the information is either useful today, or a year ago does not matter.

That leads me to my second part of the question: to the Office of the Auditor General's point, if I understand correctly where they are going with this, (and I certainly have the benefit of the Office of the Auditor General's presence, so they can correct me if I am going astray), these demographic statistics can be used and are used in hospital or health care systems across the globe to predict the types of service demands on the HSA in the future. This information may prove useful to hospital administrations come budget time when they are seeking to justify their expenditure requirements for the year, or in this case, the two years ahead. So, again, from a planning perspective, not only is it useful but it is the viewpoint of this Committee and that of the Auditor General's Committee, that it is necessary in terms of good governance, that it should be implemented.

Furthermore, you mentioned amendment changes to the Pharmacy Law, where I believe statistical analysis is also missing and useful in making sure the right amount of pharmaceuticals are available to the HSA pharmacy from time to time. Now, if I may interject a personal experience, many of us have aging parents. I certainly have an aging mother. I have lost track of the amount of times my mother has expressed disappointment that the pharmaceuticals she was prescribed by her resident doctor is not available to her at the HSA. Again, this in my mind comes back to a lack of useable information that will guide administration policy. I wonder if you could speak to that Madam CO.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you, Mr. Chair, though you: Just to pick up on the Member's first point as to the previous comment that it does not matter versus it being useful, I think that the comment of the immigration status of the individual not mattering, it was not to say . . . it was to get to what you mentioned earlier which was to recognise that regardless of whether the individual is Caymanian or non-Caymanian, we believe the health system needs to meet the needs of our resident population. So that, just to say that it is not necessarily a change in the position per se.

Regarding the need for data to better inform us, and you mentioned the Pharmacy Law and the impact it might have and from a planning perspective the Caymanian versus non-Cayman data would be useful for informing things like budget request and so on. So, the Health Services Authority, in looking at their budget request and their request for the subsidies that they get and so on, they are looking at the services that they are being asked to provide to their population or the patients that are coming through.

They are also looking at things like, we had a recommendation (I cannot remember which year it was) that the Health Services Authority came and said to us, *Look, we are having a lot more patients with chronic non-communicable diseases who are exhausting their insurance benefits, particularly in the area of pharmaceutical. We would recommend that government look at subsidising their care.* So, we have an output now at the Ministry that we subsidise, it is a chronic non-communicable diseases output. I cannot remember the exact title but that was the recommendation that the HSA came forward with in a budget process based on what they had been seeing with the patients that had incoming demands.

We have a similar output for the over 60 [persons] who are uninsured or underinsured, to look at making sure that they are able to access care that they need and there is a means. The patient financial services of the HSA works with the patients to see what their ability to pay is and when they determine that they do not have and they can only meet some of the cost, then the rest of it is picked up by government. So, the Health Services Authority does actively look at those sorts of things when they are putting together their budget request.

In terms of the Pharmacy Law and the impact that it might have on the HSAs ability to keep some of these pharmaceuticals in stock: one of the programmes that we already have in place through the INCB (International of Narcotics Control Board) reporting requirements, that the National Drug Council acts as the focal point in terms of gathering the information from not just the HSA but all of the pharmacies on the Island, in terms of their needs for importation of narcotics and the use of narcotics. We are required to report that to the global body and to get quotas each year based on our request because it is quite tightly governed on a global basis. My understanding is that because we have such an established, for example, Hospice Care here, the Cayman Islands is quite a big consumer of morphine compared to other jurisdictions of a similar size globally. So, there is a process there for that.

I am aware that sometimes some of the shortages, particularly in the areas of narcotics might be due to lag between, we have requested our quota, we have exhausted our quota, we need an increased quota and we get that. I also know that in the past, the HSA has had some issues in terms of procuring some drugs that we have seen, some shortages globally. I think the ADHD [Attention Deficit Hyperactivity Disorder] drugs were an example of that a few years ago where everybody was having trouble accessing them. My understanding is that the HSA has looked at and has tightened up some of their pharmacy management procurement to try and stay on top of those things and ahead of the curve when it comes to those matters.

Mr. Austin O. Harris, Jr.: Thank you for that.

Through you, Mr. Chairman: just on the basis, in your testimony, Madam Chief Officer, whilst recognising the challenges related to the acquisition of narcotics and otherwise serious drugs that carry side effects, my representation included much more benign medication, such as, blood pressure medication; those things being out of stock, and surely the reasoning for acquiring a restricted narcotic and blood pressure management medication are separate matters but the consistent note is that both find themselves regularly out of stock. Again, perhaps it is a planning matter. You can answer that if you wish.

I have one final question, Madam Chief Officer, and that is: in the response to recommendation number 9 contained on page 14, it is stated: **"We understand from discussion with the Ministry that they are still considering whether and how it might implement this recommendation."**; speaking to the gathering of health statistics by demographic. If I may be so bold as to make a suggestion, we are changing medical forms, application forms almost all the time, if we include a single line, demographic question asking, are you Caymanian, Caymanian status, permanent resident, work permit holder or a minor or dependent, that one line will be able to allow us to create categorisation or stratification which, if I may mention, another, but connected report from the Auditor General's Office; the Workforce Management of the Cayman Islands.

Yesterday we heard, encouragingly, that the Ministry of Community Affairs—but I have seen it take place across government administrations—in regards to collection of data, is being collected more prudently and effectively, as the Auditor General's Office recommended, so that we can analyse this information to produce through automaton, responses that will improve efficiencies. What may take a person three hours the computer will take five seconds to do. And it is predictive this is information a computer system, once we have established those categories, then that computer system can categorise the number of patients, per incident, and their demographic information which would, thereafter, be useful, I would imagine, in informing the hospital's administration from whence these diagnoses and treatments are coming from, and thereby strengthen our future planning. But again, just a suggestion, one way, how this recommendation may be easily recommended by a line item on a form and better use of computer technology.

Thank you, Mr. Chairman.

The Chairman: I have just two follow-up questions.

You mentioned that the new Pharmacy Law is going to specify sources of pharmaceuticals in order to establish standards. Some of those exist now. How is that existing requirement of the Pharmacy Law being enforced?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Sorry, Mr. Chair, how is the requirement in terms of this—

The Chairman: As I recall, there are certain restrictions of where pharmaceuticals can be imported from now. I think, kind of a broad caveat is that it has either have US, Canadian or British formulary approval. The question I am asking is: How is that being enforced now? And are aware of any incidences where stuff may be imported from areas that are not included under those formularies?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, in terms of the monitoring and enforcement of that, I would need to go and speak to the Chief Pharmacist to get some more information on that.

I have heard anecdotally—and this is one of the many reasons for the need to update the Pharmacy Law. I have anecdotally heard of concerns from consumers regarding, for example, *I picked up my prescription, I opened the box and first of all, nothing was in English on the box; and then I opened it and the leaflet inside, that tells me what I need to be careful of, how I am supposed to take this and where I am supposed to put it, there was no English on that either.* Surely, that needs to be addressed.

One of the provisions in the proposed Pharmacy Law is to do with product; I think, what we are calling product licences, which basically requires that, if a product is not already on one of the formularies, as you mentioned, that there will be an approval, through the Pharmacy Council, in order to be able to import and sell it in the Cayman Islands. And there is a provision in the legislation that the package has to have English. That is another provision that is in the draft legislation as well, but if you like, I can get some—

The Chairman: I trust sufficient safeguards are being built in, to prevent the very corrupted nature of that process, knowing how pharmaceuticals are sold to doctors by salesmen.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: There are provisions regarding what doctors can dispense, and, actually, I think, certainly when—

The Chairman: I am talking specifically about getting certified by the Pharmacy Council.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mm-hmm, okay. But the provision is there for the Council to certify.

The Chairman: Because I think it is an internationally known thing that, in the pharmaceutical industry, more money is spent on lobbying than on research.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Yeah, agreed.

The Chairman: One other question: there was a policy in place for many, many years that people who were HIV positive, were not given a work permit. Has that policy changed?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, I would need to check with Immigration Department on that.

The Chairman: Could you, please, and let us know?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: My understanding, through some of the discussions that we have had over the years with immigration, is that that policy was changing, but, I would have to check with immigration and report back.

The Chairman: One other question or two other questions. Are you aware of any other country in the world that gives transient population equal, say in the health systems that are provided, which addresses both equally?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, in terms of an equal say . . . in terms of—

The Chairman: In planning and what we provide and everything else.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: I can only—

The Chairman: Because the stated policy of the Government is that non-Caymanians have equal access and equal influence on government's health care policy.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Sorry Mr. Chair. Is that in regards to a response Councillor Harris was asking about?

The Chairman: Yes.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: The position was not so much in regards to their say in the

system or their say in the process, it was more to recognise that the expectation is that we will provide the ability to access care for everyone who is here, so that if you are here as a work permit holder, you should not be prevented from accessing care in the system and that you may need to have care for your diabetes or for your hypertension. For example, someone might come on a work permit and become ill with cancer, so, you know, that is a cancer case that is here in the Cayman Islands.

Our position is not that the Government of the Cayman Islands should pay for that person's care, but the position was that if this is a cancer that is here, what is our responsibility to have a system that facilitates access to that care, not necessarily locally but in the case of cancer, most of the care now is overseas, with the exception of some, like the Chemotherapy Unit at the hospital. So, it is not so much in terms of to say that a non-Caymanian should have an equal say in the care that is offered or the health care system here. It was to say that, in terms of when we are looking at the care that is going to be required, we look at the population that is resident and requiring that care.

The Chairman: But certainly the policy should indicate that while the opportunity to access the health care is there, the methodology by which the care is actioned is solely the responsibility of the individual or the employer, not of the Government, equally, as for Caymanians.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, I agree, and that is one of the underpinnings of the health insurance legislation as well; that the expectation is that anyone who is legally resident is required to have that minimum level of health insurance coverage and that they have a responsibility to maintain that as their contribution to their care. So, certainly, I agree, it is not the Government's responsibility to pay for everybody's care. The Government's responsibility is to make sure that, in terms of access to care and affordability of care and the availability of care, those sorts of things. The health insurance legislation is there in recognition of that very fact that you cannot expect to come here and have a free-for-all in terms of your access to care. You have a personal responsibility, if you are here, to ensure that you have that insurance and that you are contributing in that way.

The Chairman: Looking at the budget, the average mark-up on pharmaceuticals at the HSA is 100 per cent plus. Has the Ministry given any consideration to issuing a policy to reduce the cost of medications to our citizens by reducing the mark-up and/or by removing the duty on pharmaceuticals, medical and surgical supplies?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you, Mr. Chair.

My understanding from the HSA is that they have actually fairly recently changed their mark-up on the pharmaceuticals and I will get that information for you and share it with you, because I think they recognised that particularly, for some of the more expensive pharmaceuticals, the 100 per cent mark-up was putting it outside the realm of reason in terms of the cost.

The question regarding taking off the import duty on pharmaceuticals, is not a discussion that we are currently having. It is one that we have had in the past but certainly something that I will take away and look at again.

Mr. Christopher Saunders: Mr. Chairman, first of all, I want to thank the Chief Officer for coming down here and I wish her a Happy New Year. I know she has a busy year ahead of her.

I also want to apologise to the Chief Officer; reason being, as my colleague from Prospect pointed out, 8 of 11 recommendations are driven by the creation of the National Health Policy and I want to read section 44(3) of the Constitution, Mr. Chairman, if you do not mind, just to preambule what my question is going to be. It says: **"The Cabinet shall have responsibility for the formulation of policy, including directing the implementation of such policy, insofar as it relates to every aspect of government except those matters for which the Governor has special responsibility under section 55, and the Cabinet shall be collectively responsible to the Legislative Assembly for such policies and their implementation."**

The Auditor General's report which we are discussing today, a lot of it hinges on government policy and, unfortunately, the terms of reference of this Committee does not allow us to question government Policy. That is something reserved for the Legislative Assembly, thus the reason I have been more-quiet today. The simple fact is that the issues we are dealing with and the structural [aspect] that have to be dealt with at a political level, has to be dealt with by Ministers and Members of Legislative Assembly. So, in essence, to have the Chief Officer here, to defend actions that are driven by a policy that is reserved for the political directorate, is a little bit unfortunate. This is something we will have to deal with at the Legislative Assembly level but, we need to get the policy right.

Yesterday, based on discussions that we had with the Honourable Minister of Community Affairs, of the issues that we have on both the NAU, and even the health care standpoint, is a bigger issue and, at the end of day, the civil service is tasked with carrying out or implementing the policy that the Government established. I say all of that to say that coming back to this document, the main driving force has got to be

going back to recommendation number 1, which deals with the health insurance policy. Just to bring it back home and to collapse what I am saying, Mr. Chairman, the recommendation reads as follows: **"The Government should update the National Health Policy and Strategic Plan for the Cayman Islands, including developing the operational plan necessary for its implementation and the monitoring and evaluation plan required to track progress and results."**

The original response was: **"As noted in the OAG Report, the Ministry is sometimes faced with having to deliver on changing policy priorities for the government of the day. However, the Ministry will endeavour to complete this in the second half of 2017."** So, the plan's implementation day was reviewed [in] September, 2017 and operational plan [in] March, 2018. It came back in June 2018. It says reviewed July to December, 2018, operational plan TBC. And now, we are hearing it is going to be something for this year.

When you consider, Mr. Chairman, that the Health Practices Law was recently updated as of 2017, the latest one, but when you factor in that the Public Health Law was last updated in 2002, and that the Pharmacy Law was last done in 1979 (40 years ago), the reality of it is that, we have to get serious with regards to the policy and then we can start looking at what it is that we want to do with regards to the implementation of the policy. We need to get the policy right but the policy discussion is outside of the remit of this Committee.

I say all of that to say, Mr. Chairman, and the only question I have for the Chief Officer is terms of going back to the National Health Policy, which is recommendation number 1: When can we, as Members of the Legislative Assembly and members of this Committee, expect to have a concrete date of when that National Health Policy will be completed, because that is driver for everything else? It makes no use to go around and have all of these questions when there is no policy that really drives what it is that we need to get done. That is the only question I have for this morning.

Thank you.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you.

Mr. Chair, through you: The member is correct that the policy is there to drive the work and to guide us.

As I mentioned earlier, the policy, although when it was drafted it covered the time period from 2012 to 2017 and we have not reviewed and updated it. The policy is still there. It is still used as a guiding framework and the work that we do is contributing towards that. The objectives that we have in the policy, there were nine of them and they were to do with . . .

and I am sure the member has seen the policy regarding -

- strengthening the institutional capacity for leadership and governance;
- implementing an equitable and sustainable health financing model;
- enhancing human capital (when I read earlier);
- promote the contribution to all sectors of the health and well-being;
- achieving educated and empowered health conscious population;
- to further develop accessible high quality integrated health service delivery networks based on the primary health care approach;
- to develop a robust health information system with multi-agency linkages;
- improving the quality and coverage of health relevant information to be used for decision making (we have spoken a lot about that this morning);
- promote increased research for the production dissemination, utilisation of health relevant information, knowledge and scientific evidence for decision-making; and
- to maintain the capacity to respond to, and manage all emergencies and disasters to mitigate the impact on health.

So, when we have those within the policy, and as I mentioned earlier, the overall vision of health and well-being for all in the Cayman Islands, while the policy was intended initially for 2012-2017, we believe that all of those objectives are still very relevant and very applicable today and that the vision is still one that I believe is something that we can all agree would be a great outcome to have the health and well-being for all in the Cayman Islands.

The review of that policy or that plan is something that what I anticipate we will see is that it may change in terms of the prioritisation. We may have some new objectives that are brought to bear in the discussions but I think that largely a lot of the things that we have in place now will obtain or do still obtain. All of the work that we have been doing at the Ministry has been with those objectives and that vision in mind. So, the timeline for the update of that policy to do that check to see if the policy that we have is still as relevant as we think it is; that, as I mentioned earlier, is something we are looking to working on with Pan-American Health Organisation, and do that review in the second half of this year. So, in terms of the timelines for when the updated policy would be coming forward, I would say towards the end of this year.

Mr. Christopher S. Saunders: Thank you, Ms. Ahearn for that response; I greatly appreciate it.

One supplementary based on your response is: Once the policy is updated, the OAG report calls

for an operational plan. The question then is: was there an operational plan completed for the first policy that we had for the 2012 to 2017? If there was one done, can we at least get a copy of it because I have not seen that operational plan? I think that would maybe have been helpful to the committee and its Members.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Through you, Mr. Chair: The operational plan was not completed. We started to do some work on that with the Pan-American Health Organisation shortly after the policy was approved but that piece of work was not completed. So, that is definitely something that we would make sure with the review that the operational plan gets done because that is a big gap that we have.

Mr. Austin O. Harris, Jr.: Mr Chairman, I have two questions: one is a reminder to the Committee and if I could start with that and the other has to do with the witness.

Just a reminder to the Committee, yesterday we asked a question relevant to indigent medical care and the distribution of it to the Ministry of Community Affairs of which they could not answer because it was a remit of the Ministry of Health. Yesterday I was a bystander and thought that was an important question and I think the answer to it would be useful for the standpoint of the Ministry of the Community Affairs. I was searching my notes to see if I could regurgitate the question. I could not find it, so I will remind her and encourage members to maybe, if they are familiar with it, to ask it again.

My question to the Chief Officer is: There was, and again, forgive me, for not being able to quote the policy guidance but there was a policy guidance recommendation as it relates to the indigent medical care, particularly, the indigent overseas medical care costs. The Government sought to mitigate those expenditures by examining how much of those indigent health care incidents could be diverted to local providers, Health City or otherwise, versus going overseas, in an attempt to reduce the, give or take, \$30 million a year, I think, we are spending on overseas indigent medical care.

Is the Chief Officer in a position to provide an update to this Committee, as to when or how much progress has been made in developing that policy directive which, again, is to divert indigent medical care to local services versus sending them overseas?

Thank you.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Through you, Mr. Chair: The \$30 million that the member is referring to, I believe is what we call NGS 55 which is, actually, the Non-Health Services Authori-

ty care for the Indigent, Seafarers and Veterans. So, it is not just the indigent population, but a big chunk of it is the indigent population and it is also not all overseas.

The policy, in terms of accessing care, is if it is not for the indigent population and for the CINICO-insured, including the seafarers and veterans, if the HSA is not able to provide the care, a request is made by the physician for a referral to go to an outside provider. I will talk about CINICO, because I am not familiar with all of the private insurance companies' procedures, but I imagine that they are very similar.

When a referral is requested for care outside of the Health Services Authority, CINICO will do an assessment to determine where the patient can go. The referral can sometimes take physician to physician referral, which means that the doctor making the referral knows that this other doctor is the one they want the patient to go to because it is particularly complicated or specialised. There can be a general referral, just specifying the type of care that is needed.

When CINICO receives the referral and it has been reviewed and deemed medically necessary by the Chief Medical Officer, CINICO will then look at the care that is being requested and make a determination in terms of where the patient can go. CINICO is actually under the Financial Secretary, so he may be able to speak to it in more detail than I can.

In the criteria that CINICO will be looking at in determining where the care is being accessed, it is going to be availability and cost. If it is not a physician to physician referral, those are the factors that they are going to look at, so not every hospital provides every type of care. Once they have determined who within . . . and CINICO has a provider network that they have negotiated, which includes the local as well as overseas providers.

Once a determination has been made in terms of the availability of the care, and I believe the preference is to look at local providers first, the other factor that they are going to look at is the cost. So, in the case where the local provider is cost-effective and can provide the care, I believe that is where CINICO will send the patient. So, for NGS 55, for that non-HSA care, we are currently paying for that on a fee-for-service basis, which means that we are only paying for the care that is consumed and we are paying CINICO, an administrative services fee for access to their network of providers.

What should be happening is that we are paying, with the exception of that fee we pay CINICO, we are accessing the care that is required for the least cost that is available, whether it is a local or overseas provider because CINICO is performing that role as the gatekeeper for that care. So, that is how that NGS 55 process works. So, the care that is getting consumed, we should be paying the least amount for it, through that process, already.

Some of the challenges we have had in the past with NGS 55, some years ago we were able to get support (and this pre-dates Health City being on-island); before we had any tertiary care available on-island, we were able to get Cabinet to support putting in place what we call the 'Jamaica First Policy' for the indigent seafarers and veterans. We had some instances before that where, one example, was a patient who needed some cardiac care and the hospital in Jamaica had confirmed that they could provide it. The cost coming out of Jamaica was \$17,000 and the cost coming out of South Florida Hospital was \$250,000. In the past, what would happen sometimes is that the patient would say, *Well, I want to go to South Florida*, and off they would go. So, we were able to get support a few years ago for CINICO to put in place what we refer to as that 'Jamaica First Policy' where if you could not be handled locally, the next stop for the indigent population would be to check with Jamaica and see if Jamaica can provide the care and in the event that Jamaica cannot provide the care, then they would go to a hospital further afield, overseas.

There were some examples in the area of cardiac care. I know CINICO had negotiated incredibly preferential rates with a hospital further north in the United States and sometimes they were actually less expensive than Jamaica. So, sometimes Jamaica was not actually the least cost option in the very few instances but CINICO would manage that. So, that is a policy that was put in place and I believe is still in place to this day to try and mitigate that.

I think one of the things that we have to bear in mind, particularly with the cost of indigent care, is that the number of people in that group has continued to increase. I know that you spoke yesterday about the welfare system and the need to look at it from a holistic perspective. The number of indigents in the last five or ten years has gone from 1,200 to 1,700 or from 1,000 to 1,700 people, and what we are seeing as well, is that half of those people are 60 and over and that the majority of those people 60 and over, the vast majority of them are female that are on the indigent list. So, that is something that we need to look at; that is a big chunk of that indigent population.

I had a conversation with the Chief Officer of Community Affairs and her Deputy saying, *In many ways, we need to look at, there's indigents and then there's indigents*. So, you will have the working age indigents who may be temporarily indigent for a variety of reasons; whether it is a health reason or they are just between jobs. Then you will have this group that as I said, makes up half of the indigent population who are post-retirement age and are not likely to be out looking for work and we need to start looking at whether we need to break that population up and look at more tailored programs for them. I believe that is something that the Ministry of Community Affairs is

actively looking at doing from a more holistic perspective.

What has been driving up the expenditure for NGS 55 and we have an output with the hospital that the Health Services Authority calls HEA 2 which is the Health Services Authority Care for the indigents. You know, things that are being increased in those two line items are being driven by just the numbers of people who are accessing the programme.

The other thing we need to remember as well is that we have seen over the years that being indigent does not necessarily mean you are not healthy. We had a figure that Dr. Kumar used to talk about, back when he was still here. If you look at the indigent population, 20 per cent of that population are consuming 80 per cent of that health care. So, we need to sort of get our arms around how we can better manage that 20 per cent and prevent them. And this was the underpinning of the CayHealth programme that we talked about earlier; in looking at: How do we prevent this patient from ending up on dialysis? How do we prevent this patient from having a catastrophic cardiovascular event and needing an intervention? Well, we go back to the basics and align them with a physician who is responsible for making sure they are taking their medication if they are hypertensive, or monitoring their sugar if they are diabetic, or they are getting nutritional counselling if the issue is diabetes or obesity and those sorts of things. So, the indigent group is an interesting mix of different type of needs and something that, as I said, I think Community Affairs is actively looking at some sort of holistic approach to their services.

Mr. Austin O. Harris, Jr.: Absolutely.

Mr. Chairman, just a supplementary, with your permission.

The Chairman: Okay.

Mr. Austin O. Harris, Jr.: I thank you for pointing out that there are indigents and then there are indigents. I thank you for pointing out that whether of those categories, 20 per cent of the population is consuming 80 per cent of the services. This category is driving the increasing cost of NGS 55. Is there any consideration being made by the Ministry to remove the choice option, as you stated before, Health City, Doctors' Hospital, Miami-Dade? The patient, the common denominator of the indigent and indigents, is that neither of those groups have the wherewithal to pay for those needed services, and, the expectation is that the Government, who does not collect income taxes, has the obligation to pay for it.

Is therefore, any consideration being made, on the same Government who is being asked, if not obligated, to pay for these services, to remove the choice option? You cannot pay for it as patient, you acknowledge you need it, trust our doctors and medi-

cal staff to direct you to the best possible choice, but we, the HSA, will decide where you are going, not you—first question.

Second question on the referrals: Again, we all receive feedback from our constituents from time to time. There seems to be the status quo belief that there is a delay in issuing needed referrals away from the HSA to, whether it be Health City or Doctors' Hospital, when, certainly, the motivation in the administration of health care should be what is in the patient's best interest, not what is necessarily in the HSA's best interest, Health City's best interest, Doctors' Hospital's best interest, competition, egos, et cetera. Can you speak to the perceived delays in the referral process that take patients away from the services of the HSA to other local institutions?

It is a two-part question but if you can answer both, I would appreciate it.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you, Mr. Chair.

Mr Chair, through you: they are actually, in some ways, linked in terms of starting with the second part, the perceived delay in issuing needed referrals away from the HSA. Some of these cases come to the Ministry for intervention. Some of the ones that I have been made aware of are situations where, as you said, this is an indigent person who is not in a position to pay for their care and this is why they are on the list that they are, where they are getting the care from the Health Services Authority, the Health Services Authority is able to continue to provide that care, the Chief Medical Officer has been asked to look at. They met the patient. In one instance the patient had said to their doctor, "I want you to send me to another facility and the doctor said well, we can care for you here, we have been caring for you here, there is no reason for us to transfer you unless your situation changes; we are able to provide that care."

The patient was not satisfied with that response and their family was not satisfied with that response, so it was elevated to the Acting Chief Medical Officer who reviewed it, and confirmed that, in their opinion, they agreed with the attending physician who believed the care that the patient was getting was appropriate to the patient's condition. It was meeting the patient's need and the HSA was able to provide that care and there was no reason to transfer them outside of the HSA.

The patient and their family were still not satisfied with that response and wanted to be transferred out. In that particular situation, when you asked earlier about eliminating the choice option, that is where that choice option has been eliminated and it already has been taken out of play. The example that I spoke about earlier, where it was Jamaica versus South Florida, that situation does not arise anymore because of the systems that have been put in place. The pa-

tient may still want to go to South Florida or somewhere further afield but the choice option has already been largely eliminated.

There are some exceptions and, usually, and I have seen these as well, where the HSA actually supports the patient being referred out to another facility if there is a need for a second opinion from another specialist or if there is a particularly complicated medical issue that could potentially move into areas like, they do work very closely together, the different facilities, in terms of managing the patients and their transfers between them.

The HSA, to my knowledge, if there is a referral it has been made because the HSA cannot provide that care and it would not be in the HSA's best interest to retain that patient any longer than they should because, there would be, I would think, a liability associated with that. And I believe the HSA is very cognisant of that. If we have a patient at the HSA that we cannot care for, and we have a referral in place, it is not in the HSA's interest to keep that.

Some of the delay that comes up with referrals to other facilities has to do with the availability of the other facilities, the scheduling of appointments, sometimes the insurance companies are not always that quick off the draw in terms of action to a referral, depending on their processes. So, there are a lot of other things that go on behind. From the patient's perspective it might appear, and you said it, it is a perception, that the HSA is dragging their feet or someone is holding on to it and not letting them go, but there are a lot of different factors that came into play.

I have seen, for example, the communications between the HSA and some of the other hospitals that they refer to; they are ongoing, they collaborate, they work very well together, in terms of patients being moved out when we cannot provide that care. So just backing up, and again, to your first question about eliminating that choice option with a view of saving money and making sure that we are getting the most cost-effective care, I mean, those procedures through that referral process are already in place. We do have some occasions where there are . . . I guess, like I said, physician to physician referrals, where the insurance company will have to look at that, to make sure that it is not completed stratospherically out of whack in terms of what the other costs would be but, that choice option, for the indigent population, is not there anymore.

The Chairman: Just a follow-up. I am a little concerned that I have not heard quality of care mentioned in any of this cost/availability analysis because the indigent should be entitled to the same quality care as a rich person and, I am a little concerned of how that denial of choice is being enforced. Can you tell me where does quality come into this equation?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you, Mr. Chair.

That is just an omission on my part, not to mention that. The quality of care is a key concern as well. Part of the work that CINICO does in terms of their network of providers, is to make sure that the quality of care they are getting is the best that they can get in a cost-effective way. That was just an omission from my response; the question was around cost-savings in particular, but I agree that it is not a situation where, because you are indigent you are not entitled to good quality health care. That is not the case at all and that is not the intention of the policy.

The Chairman: There used to be in place a situation where indigents, or other people who may not have the immediate financial capacity to pay for overseas health care, in particular, but they had assets and government would advance the money on a charge over the assets. Has that been completely discontinued?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, those would be what we refer to as "advanced" patients, where they are under-insured and a family signs like a surety to the Government, and we would then fund their care out of NGS 55, the same line item that we were talking about for the indigents, and the family then is expected to go to the Ministry of Finance, and the Debt Recovery Unit, and set up a payment plan.

I do not know if the Accountant General can chime in and let us know the status of that, whether that is still an ongoing programme that the Ministry of Finance is actively engaged in or not.

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: Mr. Chairman, Matthew Tibbetts, Accountant General.

That is correct. We still offer the medical loans for the population.

The Chairman: And are you offering that like a straight loan payment, or is there any kind of reverse mortgage applications where the person has an asset and it is charged against the asset, knowing the indigent person is not in a position to make payment but the charge stays on the property, so that whoever inherits it, if they want to get the capital gains from it would have to pay?

Mr. Matthew Tibbetts, Accountant General, Ministry of Finance and Economic Development: Mr. Chair, we try to work with the people as much as possible, as we know, they are vulnerable in this situation. We also are willing, in some cases, to take the second charge on a property even if they are unable to offer

the first charge. We try to work with people. We have had cases where they are paying \$35/\$36 per month. So, it is very small payment for amounts that are in some cases, \$10,000 and so on. So, we try to work with people as much as possible.

The Chairman: Two other questions: the one country in this region, other than the US that has a reputation for exceptional health care, is Cuba. Is there any particular reason why Cuba is not put into this equation with Jamaica versus US?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, it is something we would need to look at.

The countries that we have used, in terms of overseas care in the past, has been driven by, first of all, from CINICO's perspective where they have established their network and also because I know some years ago we were looking at another jurisdiction as an option. The Challenge that we had was getting (and it was not Cuba, it was another jurisdiction) the information from that jurisdiction regarding how they regulated their health care system. So, going back to your question about quality and patient safety, to be able to satisfy ourselves in terms of the standard of care that we would be sending our patients for, that is an exercise we would need to look at.

I am not aware if CINICO has looked at Cuba, I do not know if that is something that they are actively looking at doing, but I know that when we had CINICO under our Ministry and we were looking at another jurisdiction, that was the challenge that we came up against. It was, God forbid if we sent a patient to this jurisdiction and something goes horribly wrong, how would we be able to tell the family that you satisfied yourself that you were not sending them off at their peril? So, it is something that CINICO probably might . . . and I do not know if they are actively looking at—

The Chairman: Well, I mean I think it is obvious that . . . well, I know they are not because of a recent incident I had with a constituent member of mine. But I have been given a commitment at least for the last five years, on almost an annual basis that they would, and certainly, the simple basis for quality and statics is the international published statistics.

I can give you real life examples. I mean in the case of this constituent, he was treated at the HSA for well over a year, no relief. He was referred to Health City and he went there several times, no relief. He took I took it upon himself to go to Cuba, got immediately diagnosed that there was an infection causing the problem. He was put on antibiotics and treated with lasers and there was substantial improvement. But he is now having difficulty now because there used to be a kind of understanding with CINICO patients that if you went to some place like Cuba, they would consider some kind of reimbursement. In fact,

the reason he got treatment in Cuba was because it was almost an emergency situation with the pain and everything else that he went to the emergency room and certainly, CINICO is obligated, as I understand it, under that scenario, to honour the emergency treatment. But I will deal with that as a separate issue.

The other question is: we were given a commitment . . . you all hired a Canadian health insurance company, Morneau Shappell, to conduct a feasibility study about determining a period for a specific-standard health insurance contract for persons over 65. That was supposed to be completed last year. Has it been completed? What is the Premium?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, we received that report from the consultants at the end of last year and they are coming in February, to present that report to Cabinet and for us to—

The Chairman: I mean, the report is written so that they have to come to explain it?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: No, it is in case there are questions, to have them there to answer. The report is fairly self-explanatory in terms of the findings and what the proposals are, but the consultants are coming because we think it will be beneficial, in case there are questions from Cabinet around it.

So, we do that have report. It was conducted, as you said, last year by Morneau Shappell. They got very good cooperation from the health insurance companies, in terms of providing the data. They also, you may remember, did a public survey. I believe they had over 800 responses from the public to get some feedback as well, regarding the information of what benefits they valued, whether they currently had insurance, whether they had a supplemental plan or the SCHIK and also, another question around their tolerance for premium changes, for premium increases, and what they would be willing to tolerate for increased benefits. So, we do have that and I am expecting, as I said, we are hoping to present it to Cabinet in February, and I think shortly after that we will be able to update.

The Chairman: Is that normal, that the report will be to Cabinet rather than to the Ministry?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: The Ministry has received it and the Minister is to inform Cabinet of it.

The Chairman: Is it going to be made a public document?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: That is one of the things that we will be going to Cabinet for and, once Cabinet has had sight of it and understood it, then I would expect that it would be.

The Chairman: Because, recent changes to the Freedom of Information Law is that if it is submitted to Cabinet, will make it not available through the Freedom of Information Law.

[Inaudible interjection]

The Chairman: Interesting. Okay.
Any other . . . you have?

Mr. Christopher S. Saunders: Just one bigger question, Mr. Chairman, and through you to the witness.

I am happy that she touched on the NGS 55 and HEA 2. Just to give members and the public an idea: for NGS 55 we started out with a budget for the 2018 Financial Year, of just-under \$11 million. We had two supplementaries throughout the 2018 Financial Year that carried that forecast from under \$11 million, to over \$25 million, and that NGS 55, just so the committee members are aware, that is for Provision of Territory Health Care for indigents, Seamen and Veterans who are referred for treatment locally and overseas.

On HEA 2 which is, in essence, provision for medical care to indigent patients that go to the HSA; that was also just-under \$11 million and we had one supplementary last year that took that up to just-under \$16 million. So, in a nutshell, Mr. Chairman, we spent roughly \$40 million last year on indigent care both locally and overseas.

When I look at the last CIMA (Cayman Islands Monetary Authority) report, just on the health insurance industry for 2011, the profit for the health insurance industry (only on health insurance, not for insurance company, just on the health insurance), was \$4 million. In 2012, it jumped to \$10.8 million. In 2013, it went to \$14.3 million. In 2014 it went to \$14 million. In 2015 it jumped up to \$51.5 million.

So, last year the Government spent over \$40 million of tax payers' money on indigent care. This does not include the public service, it is just indigent, veterans and seamen; and in 2015 the profit, just on the health insurance alone as per the Cayman Islands Monetary Authority Annual Report, was \$51.5 million.

Again, Mr. Chairman, this is a structural problem that we have in this country, with regards to health care and the profit just on health insurance alone, as per the Cayman Islands Monetary Authority annual report was \$51.5 million. The first question we need to ask ourselves is: Is it a right, or is it a benefit? If it is a benefit, then, we can continue with business as usual, but the first question that needs to be answered is: Is it a right? Just as how we have accepted

that education is a right in this country, and we have made it free and accessible within the public schools, we need to do the same with regards to health care, if it is a right, we need to make it more accessible and more affordable and, of course, with the quality that goes with it. So, again, I bring back my point: the issues that we are dealing with today are policy related; it has to be a bigger issue.

Now, what I can say in all of this, to ask my one final question is: I met with the Minister last year, and he and I had a very long discussion on this issue. We also met with representatives of some of the private hospitals to see if we can put a model in place which would pretty much expand the services, and also, to look at providing care to the 20 per cent of the indigent population that drives up the cost. Now, the last feedback I got on that was, they were still waiting on some information to put together a plan.

I asked the Minister last year for an update in terms of where we are with that information being provided to those entities, because it is a problem that we are trying to address. The question I have for the Chief Officer is: The information the private providers are waiting on to make the proposal to Government: 1) Have that been provided? 2) If not, when will it be provided to them? This is something that we really need to take a hold on but spending \$40 million or more than \$40 million in one year, on indigent veterans and seaman, in a country, and where it is a strain on the public resources, and for the health insurance and for these guys to be making this much money on health insurance in terms of profit, it cannot work.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Through you Mr. Chair. The figures that the Member quoted, regarding the health insurance profit, the Health Insurance Commission has recently done an exercise to look at those figures in collaboration with the Cayman Islands Monetary Authority. I believe that some clarification is going to be forthcoming. I think that some of the ways that the figures were reported was—

Mr. Christopher S. Saunders: No, no, no, the first time we put those figures out, we were given that answer and I have since gone back and asked for an updated report and I was basically told that one was not coming, it is what is reported, it is what is in the public. So, if CIMA needs to change it, they need to change it. Whether it is \$14 million, \$51 million, \$20 million or \$30 million the problem is . . . and I do not have a problem with the insurance companies making their profit. What I do have a problem with is well, the \$51.5 million being reported is a problem but for me, the bigger issue that we have to deal with here is the more than \$40 million that we are spending on this care. And when you consider the forecast, in terms of just the NGS 55, the budget document I looked at had

a monthly spend of less than \$1 million and it increased to over \$2 million last year, which is more than a 50 per cent increase.

If we look at HEA 2, again, based on the budget document, we are spending around \$900,000 per month, on average. It is now up to basically over \$1.3 million per month which is between a 40 to 50 per cent increase. So, realistically, these numbers are going up and if in one year alone, we had a 50 per cent increase, it is definitely unsustainable. We just cannot keep throwing money at the problem. It has to be driven by policy and what it is that we need to do as country.

The issue, and again, as I said before, the solution to this is outside the remit of this Committee because that is a policy issue, but for us, the main thing is that it cannot just be business as usual, but rather what it is that we are looking for. Like I said, to give Jack his jacket, the Minister did meet with me, did hear my concerns and like I said, we had meetings with the private sector individuals and I have since followed up with them and they are just waiting on the information to basically start looking at a solution to this problem, because it is a problem and we are trying to find a solution. But like with anything else, we heard yesterday, the NAU have issues with the database to get to the root cause of some of these issues.

We are hearing today now, the same thing that my colleague for Prospect raised, with regards to the information that we need for the proper planning, and I guess this comes back to information. So, for us to make informed decisions, we need the information to do so and what I am trying to get at is, getting the information to those people based on the information that we have, and this is what was given to the public, so I can only go by what was given to us and not what someone says, *Well, those numbers are wrong*. If those numbers are wrong, then CIMA needs to fix them and they need to go fix it in the public but it is a \$40 million problem or a \$40 million elephant that we are trying to get fixed. It is that information that we are trying to get to the root of.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you, Mr. Chair, through you.

Just as a sort of clarification regarding the budget and the expenditure on AGA 2 and NGS 55, the Government's expenditure on the indigent seafarers and veteran population has been between \$2 million and \$4 million per month for many, many years.

Between the health insurance that covers the HSA care for the seafarers and veteran, HEA 2 which you have referenced which is the fee for service care for the indigents at the Health Services Authority and then NGS 55 which is the Non-Health Services Authority care for the indigents, seafarers and veterans population. If we were to look at the spending on those output items over the years, at the end of the

financial year, we would recognise that while it has been going, it has not gone up.

The Member mentioned that we spent \$10 million and then we went to almost \$30 million in the budget. Really, what it is, are the numbers of people accessing the system have increased but the Government has spent those kinds of figures year on year. So, it is not a situation that we spent \$10 million in 2017 and then it jumped to \$30 million in 2018; it is a budgeting issue, it is not even really a forecasting issue because we look at the numbers and we can say, *this is what we are going to need*. I think we have been able to come and get supplementary funding when it has been required and it has been required.

I can say, sitting here today that we have \$10.8 or let's call it \$11 million in our budget for NGS 55 in 2019. We know out of the starting gate that that is not going to be sufficient because of the number of people on the programme and the historic spend that we have seen. So, you can expect that we will be coming for a supplementary on that.

The questions are around . . . and I am sure this is something that may have come up in your discussions yesterday with the Needs Assessment Unit or the Ministry of Community Affairs. It is around the access of who is accessing these programmes, what package or benefits are we prepared to cover with these programmes. Going back to an earlier response, we have the working age indigents and we have the seniors and do we want to have a different plan of benefits or a different package of goods depending on the individual indigent circumstances. Is that something that we want to move towards? We have some cases of working age people who end up on the indigent list when they are very ill and then they get the services that they need and then they are able to go back to work and they are fine and come off that list. So, those sorts of fluctuations are a part of the challenges that we have with it as well.

So, it is a substantial amount of money that is being spent by the Government to provide this social service to support this group, and definitely something that is not going to decrease unless there are some policy changes around who is accessing, what they are accessing, where they are accessing and those discussions need to happen.

I was speaking earlier when the Chairman asked about the work on the SHIC 65. Given that half of this indigent population are 60 and over, the impacts of what the policy decisions are regarding the recommendations of the actuaries from the SHIC 65 will impact 50 per cent of this indigent population, potentially. So, things are being looked at and steps are being taken to try to identify a more sustainable way to deal with this problem. But, I think that, particularly with the indigent group, some of the discussions and the decisions are being wrapped up in the work that the Community Affairs Ministry is doing, around the support that they are providing.

The Chairman: I just need clarification.

Mr. Christopher S. Saunders: Sorry, Madam Chief Officer.

Just in terms of the information that the private providers need to make their presentation to Government with regards to what it is that they can do, when will that information be provided to them? It is pretty much what we are looking for because, like I said, to give credit where credit is due, this is something that the Ministry is working on. I am aware of it because I was present at a couple of those meetings and the feedback I last got is that they were waiting on information from the Ministry for them to make a presentation to Cabinet, in terms of what they can do in terms of helping the Government to reduce the cost.

I understand that information needs to come from the Ministry, and that is what it is that we want. I asked the Minister, he could not provide the answer. He said he would check and get back but, since you are here, we are just trying to find out when they will get the information.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Through you, Mr. Chair.

The Ministry is in discussions with issuing an RFI (Request for Information) under the Provisions of the Procurement Law, in order to get a better idea of what, as Minister Tibbetts used to say, what obtains in the market in terms of availability and the cost and the best available prices. Under the Procurement Law, the process is outlined to start to get that kind of information in order to be able to move forward with looking at what other options might be.

As I was saying earlier, 50 percent of the indigent population are over 60 so, in terms in what information we are going to be looking for, some of that will hinge on the decisions that are made regarding how to deal with the senior citizen. So, it is one thing to go out and ask the market for some information regarding costs for a group of 500 people aged zero to 60 versus asking for information on a group of 1,000 people that includes zero to the end.

It is something that we are going to be pursuing and going through the Procurement Law process as to get that information from the market and inform, as you said, the decision that Cabinet is going to make.

Mr. Christopher S. Saunders: Sorry but, before they can price the 500 or the 1,000, they would need to know what the current ailments are because, no one can go into it blindly and it is that list of current ailments they are trying to basically get, to determine what it would be. So, the information would still have to be provided because no one is going to show up

and say I am going to charge you ten dollars per person.

Now, if we are spending \$40 million and we have 1,000 people that drive up that cost, it is still an average of \$40,000 per person. And the whole idea behind insurance is to spread risk. So, if there is a \$40 million spend already on that 1,000, any way you want to slice it and dice it, the pie is still \$40 million and the average will be 40,000 per person, and if they were to take that cost and share it amongst themselves, the premium would be over \$3,333.33 per month.

The whole idea is to take the pool that we have and expand it because it cannot be a situation where people are working for 40 years. I remember during the budget discussion, where the CEO of CIN-ICO at the time said, the true cost for the Government in terms of premium, for a person over 65 was between \$1,300 and \$1,500 a month. And now, we have the Pensions Law for the private sector that limits them to \$1,080 a month in terms of drawing so, there is already a disconnect between what a person needs today, just to pay a health insurance premium to get a decent premium versus what they can even collect. And then, we have other living expenses that a person would need. So, there's already out the starting block. And what we have is a problem within the private sector that is being dumped on the Government, and in particular on your Ministry. Thus the reason I said yesterday that the problem we have is structural and it is private sector people or former private sector people that are driving up this cost.

It cannot be a situation where businesses in this country are making millions per year in profits and the tax payers, at the end of people working lives, are stuck to take care of the people, when for 40 years they would have been insured in private sector, they would have made them, whether it be \$14 million or \$50 million in profit, and now, once they are done and discarded they become government's problem. This is completely unsustainable.

What it is that we are looking for—and this is why I went with the Minister and we had this discussion—is to say to the hospitals and the local providers, *Here are the issues that we have, you guys work together and find a price for it.* To give them the credit, this is something they have agreed to. But the problem we have now, where we are stuck, is that they are saying, *We cannot give you a price because we cannot get information,* which the Minister committed to provide them the information so that they can all work together because they recognised that this is a problem. At the same time, give us an opportunity to start enhancing our own local care, just not just primary and secondary, but some tertiary care. This was some of the discussion that we've had with Shetty; that they were willing to invest in other areas.

Cancer is still a big problem for us. So, this is not a situation that is political, this is a national problem and thus the reason why we have agreed to work

with the Government in terms of finding the solution, but we need the information in which to get the solution.

Now, I know the insurance lobby is strong because I have already gotten some WhatsApp messages already from some people based on what I sent out New Years and that is fine. But it cannot be \$40 million a year that we spent last year on indigent veterans and seamen becoming the norm, which as soon as someone retires (and they are going to retire), they are going to become government and the taxpayers' problem, and, of course, more work for you. So, the problem in all of that is to say that it is bigger than the Ministry and it is bigger than the public service. It is something that the whole country needs to deal with and the whole country needs to accept but we need the information.

Thus, I come back to when will that information be collated and when will it be provided to those guys, so at least they can say, *Well guys, here is what we can do?* If at that point, if it is too much, because I am sure the Government will sit back because so far, they have been transparent in working with the Opposition in that regard to say, *Guys, you think it is something feasible or do we need to be looking at something else?* But we need the information.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: through you, Mr. Chair, and I should have clarified that when I said that we would put out an RFI. A part of the RFI process is to provide the information, because you are absolutely right, they cannot price what they do not know what they are being asked to price. So, under the Procurement Law, we would put out the RFI with the information and to get the input from the market to say, *For this book of business, for these services, what kind of cost would you be prepared to . . . or what would you be looking at in terms of your provision of services?* You are absolutely correct. The RFI would have that information as the basis of it.

The Member touched on so many different areas. But it is a real challenge, there is absolutely no question. It is a question of sustainability, there are policy decisions that need to be made behind, as I said earlier, the access of who is accessing—what are they accessing, how are they accessing—and not just health care but all of the support services that we provide.

The whole issue of cost of health insurance for someone on a fixed income, post retirement, I mean, that is a really big problem. And one of the reasons why the work was done with the actuaries to look at the SHIC 65 and see what the approach might be to try and address it. So yeah, it is significant and it is something that we need to work and collaborate to address.

Mr. Christopher S. Saunders: Going back to the RFI, in terms of the date, what timeline are we looking for, for the RFI to basically be going out to the providers?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Through you, Mr. Chair. That will depend of the timing of presentation to Cabinet and decisions on the SHIC 65, as well as some other work that we are starting with the Ministry.

The Chairman: Something is wrong here. The Government policy used to be that we were going to health insurance, so as to spread the healthcare cost across the total population. Is that being changed now to where we are going to have a single provider?

You told us earlier that the Health Insurance Commission is spending time trying to dumb down the profit reports on the health insurance companies, rather than saying to the health insurance companies, *Because you have made all these profits, we need to expand your coverage.* And now, we are going to where we invite people to provide . . . we have already fragmented the risk of the insurance by government having nine different votes that they supplement the insurance with. We talked about not having adequate coverage for the pharmacists and the Government's solution for that was to provide cash, as opposed to going to the health insurance companies who made \$51 million before, and saying, *Based on these facts, you have to up your coverage on this plan.* And we are now considering a policy where we are going for a RFI to go to single-provider bid to provide health care, as opposed to . . . Something in my mind does not match up.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, just to clarify the work that I referred to the Health Insurance Commission doing, the Health Insurance Commission is reviewing the information that returns from the health insurance providers to see where the numbers actually land. It is not an effort to dumb down what is being reported; it is just to try and verify what the actual situation is, and they are working with internal audit now to finalise that.

The RFI that the member is talking about is to get some information regarding what opportunities are out in the market to get more cost-effective care for the indigent group—

The Chairman: More cost-effective care based on what? Based on what the insurance companies are paying or what government is paying through its supplementary funding of the insurance industry?

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: When

you refer to what government is paying for supplementary funding—

The Chairman: The \$60 million that we have in eight or nine different votes that we pay for, through CINICO and other agencies and . . .

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Mr. Chair, the \$40 million we were speaking about earlier is around the cost of care for the indigents, seafarers and veterans. The seafarers and veterans have an insurance plan through the Ministry of Finance for their HSA care, funded on a premium basis. The HSA care and the non-HSA care for the indigents as well as the non-HSA care for the seafarers and veterans is funded on a fee-for-service basis and administered through CINICO with an administrative-services-only fee.

The Chairman: I know all of that. But the premium that the Ministry of Finance is paying to CINICO is based on a price for only the seafarers and indigents, or is it priced on the global coverage, which is what insurance is about; the healthy civil servants, the civil servants' families, so as to keep the premium down? Any insurance company, whether government-owned or otherwise, that you ask to give you a price on people who are sick, and not involve anybody who is healthy in it, is going to be high.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: It spreads the risk, yeah.

Mr. Chair, I am not sure of the Ministry of Finance, because I am no longer on the board for CINICO, so I do not know.

Mr. Kenneth Jefferson, Financial Secretary/Chief Officer, Ministry of Finance and Economic Development: Mr. Chairman, thank you, sir.

I will just say briefly that the premiums which central government now pays to CINICO for civil servants, for seamen and veterans, those premiums are now currently being based on the age of the particular individual, the age of the civil servant or the relevant person being paid.

Off-mic, the public would not hear you but you were asking *Well why?* I think it is simply on the basis that the risk of incurrence of medical services and the need for it generally will increase with age and that will be the rationale.

The Chairman: That defeats the very purpose of health insurance, where the younger people who are healthy pay a little more to help lower the price of the older people who are getting sick, because all of us are going to get old, and in our first 20 to 25 years of working in government, we are basically healthy peo-

ple. We only have to look at the indices that are reported in the health reports and it will show that we have a very healthy population, except when you get up to the lifestyle diseases that take effect, 60, 65 and up. As long as the Government continues to separate those, of course, it is to the insurance industry advantage to separate them because they are going to get more premiums and therefore, they are going to get more profits. In this case, it is not a profit thing but CINICO is getting more premiums than it should because, what the civil service should be doing is going to their own actuaries and getting an actuarial calculation as the cost of health insurance that they should be paying for that total demographic. I have been arguing this with Government now for nine years and nobody is listening to me.

Mr. Christopher S. Saunders: Mr. Chairman, sorry.

The Chairman: But the reason the health insurance companies are making \$51 million a year profit is because they are not insuring anybody who is sick over age 60 and Government is falling into the same trap by paying a lower premium for people age 18 to 20 or 35 or whatever, and then getting hit with a higher premium down the road. That is not insurance, that is a cost for care.

Mr. Christopher S. Saunders: Mr. Chairman, I am just looking back at my notes and going back to the CIMA report that came out. Back then, in 2015 per the ESO numbers, there were 39,138 people employed, of which civil service numbers at the time was 3,588 which left between the private companies and the SAGCs (Statutory Authorities and Government-owned Companies) 35,550 within the workforce that would fall within that pool for the \$51 million, so you would make \$51 million profit on 35,000.

The part that scares me the most and still bothers me, is considering that the 2015 numbers had to be submitted to CIMA in the first quarter of 2016 as per the Law, and we are now in the first quarter of 2019 which is three years since those numbers would have been submitted. And the issue behind us of raising the profit from those reports was not to begrudge the health insurance companies from making whatever profit because we are happy when businesses make profit.

What caused us to bring CIMA here and also the Health Insurance Commission was simply this: having a group of companies move from \$14 million profit one year, to \$51.5 million profit the next year being reported, whether the numbers were right or wrong, it should have created a red flag within the policy makers to say *Wait a minute, what just happened?* The purpose behind that Public Accounts Committee Meeting was to find out from both CIMA and the Health Insurance Commission, since these numbers were reported to you, whether they were right or

wrong, they were reported to you. What have you done? What have you gone back from a policy standpoint? What have you said to the Minister? What have you said to the Cabinet—*Guys, we have a situation here?*

The bottom line is that that profit moved from \$14 million to \$51.5 million and nobody said anything. That really was the genesis. And the only response we have heard now is that profit has moved from \$14 million to \$51.5 million, year on year, but the \$51.5 million is wrong but no one can tell us what the number is. The issue is not that they made \$51.5 million; the issue is that they jumped up that large and nobody said anything, nobody did anything and the public is paying people to look out for their best interest. I do not want to hear the number is wrong three years after it has been reported. What I want to hear is what the Government is now doing to make sure that they are monitoring this to make sure people are gating value for money, but with 35,000 people making \$51.5 million off of them, just on health insurance alone, it is unsustainable and that is what we are looking for.

Listen, this is a big problem, I recognise that. There is no magic bullet, I recognise that, but at a minimum, what we need to make sure is that the information we are given, whether it is right or wrong, is what we use to make our decisions. And that is what we need to make sure and this is what the politicians and the representatives depend on the technocrats within the civil service to provide, that they give us numbers, and that they are right and that we make our decisions based on the numbers that are given. If a number is wrong, come back and say the numbers are wrong, this is the correct number. That is what we need. But CIMA has not changed their reports, I have checked. It is still the same number that is out there and that is why we need to understand what is happening with health insurance.

The Auditor General has gone through and done two very good reports on health care in the Cayman Islands and what we are trying to find now is a solution to it. So, if the RFI is the way to go, I have been told by the Minister that they are waiting to get the information from the civil servants and now you, as the Chief Officer, are telling me that you are waiting on the Minister. . . I mean, there is a circle here now where it is clear that we just do not have the information on which to make the decisions and if that is the case then, why are we here?

The Chairman: Anyone else have a question? If not, Ms. Ahearn, we thank you for coming and giving the Public Accounts Committee evidence. Thank you very much. Have a good day.

Ms. Jennifer Ahearn, Chief Officer, Ministry of Health, Environment, Culture and Housing: Thank you, sir.

The Chairman: The public hearings will be adjourned until 9 am, January 30, when we will be dealing with the November 2018 Report by the Auditor General of "Fighting Corruption in the Cayman Islands".

A little bit of housekeeping: I just want to remind members that we have a debriefing with Mr. King and the LA staff after lunch. I guess that will be at 1:30 pm now.

Thank you, all.

At 12:45 pm the Public Accounts Committee stood adjourned.

