Title: Changing the NHS Charging Regulations for overseas visitors from EEA countries. **IA No:** 9563 **RPC Reference No:** **Lead department or agency:** Department of Health and Social Care **Other departments or agencies:**	**Impact Assessment (IA)** **Date:** 17/11/2020 **Stage:** Final **Source of intervention:** Domestic **Type of measure:** Secondary legislation **Contact for enquiries:** nhscostrecovery@dhsc.gov.uk

Summary: Intervention and Options

RPC Opinion: Not Applicable

Cost of Preferred (or more likely) Option (in 2020 prices)			
Total Net Present Social Value	**Business Net Present Value**	**Net cost to business per year**	**Business Impact Target Status**
£433m	£0m	£0m	Not a regulatory provision

What is the problem under consideration? Why is government action or intervention necessary?

The NHS is a taxpayer-funded comprehensive health service, available to all. However, not everyone is entitled to receive that treatment for free. The NHS (Charges to Overseas Visitors) Regulations 2015/223 enable the recovery of costs from those who are not ordinarily resident in the UK. They set out the detail of who can be charged, who is exempt and which services are not chargeable. Government intervention is necessary to change those regulations to provide an effective legal framework for the recovery of costs after the end of the Transition Period from citizens of the European Economic Area (EEA) or Switzerland who are not eligible for healthcare without charge.

What are the policy objectives of the action or intervention and the intended effects?

The policy objective is to ensure that the NHS effectively recovers the costs of NHS services provided to short-term visitors and migrants from the EEA/Switzerland after the end of the Transition Period, in line with UK Government policy, to support the long-term sustainability of the NHS

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Option 1 – Do nothing. The 2019 proposed changes to the Charging Rules come into effect.

Option 2 – Amend the National Health Service (Charges to Overseas Visitors) Regulations 2017 to:

- Meet the withdrawal agreement obligations to exempt current EEA/Swiss nationals who ordinarily live in the UK prior to 1 January 2021 from being charged by the regulations.
- Increase the charging tariffs for EEA nationals from 100% to 150% in line with how the UK charges the rest of the world.
- This increase will also be applied to UK nationals who migrate to the EEA/Switzerland after 31 December 2020.

Option 2 is the preferred option because it generates more revenue for the NHS and complies with the withdrawal agreement.

Will the policy be reviewed? If applicable, set review date:				
Does implementation go beyond minimum EU requirements?		N/A		
Is this measure likely to impact on international trade and investment?		No		
Are any of these organisations in scope?	**Micro**No	**Small** No	**Medium** No	**Large**No
What is the CO_2 equivalent change in greenhouse gas emissions? (Million tonnes CO_2 equivalent)		**Traded:** N/A	**Non-traded:** N/A	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister: Edward Argar Date: 3rd December 2020

Summary: Analysis & Evidence

Policy Option 1

Description: Do nothing

FULL ECONOMIC ASSESSMENT

Price Base Year 2020	PV Base Year 2021	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: 0	**High:** 0	**Best Estimate:** 0

COSTS (£m)	Total Transition (Constant Price)	Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	0		0	**0**
High	0		0	**0**
Best Estimate	0		0	**0**

Description and scale of key monetised costs by 'main affected groups'

Zero. This is the do-nothing option and consequently no additional costs versus the counterfactual will be incurred by any party.

Other key non-monetised costs by 'main affected groups'

Zero. This is the do-nothing option and consequently no additional costs versus the counterfactual will be incurred by any party.

BENEFITS (£m)	Total Transition (Constant Price)	Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	0		0	**0**
High	0		0	**0**
Best Estimate	0		0	**0**

Description and scale of key monetised benefits by 'main affected groups'

Zero. This is the do-nothing option and consequently no additional costs versus the counterfactual will be incurred by any party.

Other key non-monetised benefits by 'main affected groups'

Zero. This is the do-nothing option and consequently no additional costs versus the counterfactual will be incurred by any party.

Key assumptions/sensitivities/risks	Discount rate (%)	N/A

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: 0	**Benefits:** 0	**Net:** 0	N/A

Summary: Analysis & Evidence

Policy Option 2

Description: Introduce secondary legislation

FULL ECONOMIC ASSESSMENT

Price Base Year 2020	PV Base Year 2021	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: 88	**High:** 145	**Best Estimate:** 108

COSTS (£m)	Total Transition (Constant Price)	Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional		Optional	**Optional**
High	Optional		Optional	**Optional**
Best Estimate	0		0	**0**

Description and scale of key monetised costs by 'main affected groups'

There is a cost to UK nationals who permanently live in EEA countries or Switzerland who visit the UK temporarily and use the NHS, however whilst the cost is quantified, they are not resident in the UK, and so does not contribute to NPV.

Other key non-monetised costs by 'main affected groups'

N/A

BENEFITS (£m)	Total Transition (Constant Price)	Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional		Optional	**88**
High	Optional		Optional	**145**
Best Estimate	0		12	**108**

Description and scale of key monetised benefits by 'main affected groups'

Increased income for the NHS generated by increasing the value of costs recovered from visitors and migrants using the NHS.

Other key non-monetised benefits by 'main affected groups'

Key assumptions/sensitivities/risks	Discount rate (%)	1.5%

There is limited data available to accurately quantify the extent to which UK nationals who migrate abroad and use the NHS while temporarily visiting the UK, and so this section is subject to vast uncertainty, which has been modelled in the sensitivity section.
Migration patterns are uncertain, particularly after the transition period.
Charges levied by the UK on EU/Swiss nationals after the transition period may result in unpredictable reciprocal charges being levied on UK nationals who visit the EU or Switzerland.

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: 0	**Benefits:** 0	**Net:** 0	N/A

Evidence Base

Problem under consideration and rationale for intervention

1. The NHS is a taxpayer-funded comprehensive health service, available to all. It is a national, not an international service. Not everyone is entitled to receive that treatment for free.

2. The NHS (Charges to Overseas Visitors) Regulations 2015/223 enable the recovery of costs from those who are not ordinarily resident in the UK. They set out the detail of who can be charged, who is exempt and which services are not chargeable.

3. Government intervention is necessary to change those regulations to provide an effective legal framework for the recovery of costs after the end of the Transition Period from EEA/Swiss citizens who are not eligible for healthcare without charge and to implement the UK Government's obligations under the Withdrawal Agreement.

4. The required amendments include technical changes to reflect the fact that the UK is no longer a member the EU (for example, by removing references to EU rights and EU law), changes to ensure that the Government meets its legal obligations under the Withdrawal Agreement, and changes to set out the future charging arrangements of EU citizens who seek to work or settle in the UK and of UK nationals who move overseas after the end of the Transition Period.

5. If no changes are made, there may be legal uncertainty as to how the legislation should be read in the context of amended retained EU law and the UK being outside the EU. It is unclear how a court would interpret the validity and operability of references to EU rights. Operationally, the ability of the NHS (and non-NHS organisations providing NHS-funded services) to recover costs effectively from EEA/Swiss visitors may be hampered by similar uncertainties around interpretation.

6. This could result in some people not being charged who should be, and vice versa. While it may be possible to mitigate this by issuing clear guidance to providers of NHS services, this does not mitigate all risk of legal challenge that the charging regime has been misapplied.

7. However, due to a need of there being an operable statute book, a 'do nothing' option is not realistic, as it would contradict the UK's international obligation to uphold the withdrawal agreement. Therefore, whilst the SI will describe one of its purposes to protect the EEA stock cohort, this element will also be present in the 'do nothing' option.

8. In summary, the SI will:

    - Revoke and replace the 2019 "no deal" SI, which is no longer fit for purpose;
    - Remove references to EU law that may no longer be operable after the end of the Transition Period;
    - Provide that EEA/Swiss citizens lawfully resident in the UK on or before 31 December 2020 (the end of the Transition Period) will remain eligible for free NHS-funded care if they remain ordinarily resident and hold EUSS status after the end of the grace period;
    - Set out the chargeable status of EEA/Swiss citizens seeking to live in, work or visit the UK after 31 December 2020 and the tariff at which they must be charged;

- Provide exemptions from charging for EEA/Swiss citizens who are in partial scope of the Withdrawal Agreement, for example those whose temporary visit to the UK begins before and extends beyond 31 December 2020, or those seeking planned treatment which was requested before that date
- Set out the charging arrangements for UK nationals who move overseas from 2021 and who require healthcare when temporarily visiting England.

9. In the longer-term, ensuring that the costs of NHS treatment are recovered from eligible persons will contribute to the long-term financial sustainability of the NHS. The money recovered from overseas visitors is reinvested back into frontline services to ensure everyone receives urgent care when they need it.

10. The amendments will form part of a national programme of work to increase the recovery of costs from visitors and migrants who access NHS-funded treatment when in the UK. Alongside other non-legislative policy actions under this programme, DHSC and NHS England have more than quadrupled the income identified from overseas visitors' healthcare over the last four years to a total of £353m per annum.

Options considered

Option 1: Do nothing

11. In the absence of government intervention, the proposed 2019 modifications to the charging regulations come into legal effect. However, these are no longer fit for purpose as they were drafted based on the unilateral citizens' rights offer being made by UKG in a no-deal scenario which was superseded by the Withdrawal Agreement. The effect of this would be that the protections from charging provided by the Withdrawal Agreements will not be in place within the regulations, making EEA/Swiss citizens wrongly chargeable for healthcare. The UK Government would therefore be in breach of its legal obligations under an international treaty. In addition, some provisions within the 2019 regulations are time-limited to end on 31 December 2020 and will be incoherent if implemented thereafter.

12. As the UK government would be in breach of its legal obligations if it did not provide protection for the EEA cohort from NHS charges, this element is included in the 'do nothing' option, as to do so otherwise would be considered unrealistic.

13. The NHS charging tariff for EEA/Swiss citizens would remain at 100%, which would see EEA/Swiss citizens still having preferential treatment compared to the rest of the world.

14. As set out in the 2019 charging regulations, UK nationals who migrate to the EEA/Switzerland after the transition period will be chargeable for their healthcare should they return to the UK on a temporary basis. This charge will remain at the 100% tariff rate.

Option 2: Introduce secondary legislation – this is the preferred option

15. The preferred option is to proceed with implementing secondary legislation that will amend the Charging Regulations to:

    - Meet our obligations under the Withdrawal Agreement to ensure that EEA/Swiss citizens who are ordinarily resident in the UK prior to 1 January 2021 can access healthcare on broadly the same basis as they can under EU law and will not be charged under the regulations. This is also present in the do-nothing option but is listed under this option also for completeness.

    - Increase the charging tariffs for EEA/Swiss citizens from 100% to 150% in line with overseas visitors from the rest of the world. The primary reason for this is to ensure that equal treatment is realised for all visitors regardless of origin and so that a common tariff can be set. Increasing the tariff also helps covers overheads from direct charging not captured by the 100% tariff, whilst not causing charges to overseas visitors too expensive.

    - Increase the charging tariffs to UK nationals who migrate to the EEA after 31 December 2020 to 150% in line with charges with the rest of the world.

16. By bringing in the proposed legislation, the UK will be consistent in its desire to have equal treatment amongst all non-UK nationals, as well as ensuring that the agreements set out in the Withdrawal Agreement Act are met.

17. Table 1 shows how the changes affect different cohorts.

Table 1: Table to show how charging regime will affect the listed cohorts according to the options.

Cohort	Prior and During Transition Period	Option 1: Do Nothing	Option 2: Secondary Legislation
EEA/Swiss Nationals resident in UK prior to end of transition period	No charge	No charge due to legal obligations. Would otherwise be charged at 100% tariff.	No charge
EEA/Swiss visitors during transition period	100% Tariff if no EHIC presented	100% Tariff. EHIC invalid.	150% tariff. EHIC invalid.
UK Nationals resident overseas in EEA countries visiting the UK after transition period	100% Tariff if no EHIC presented	100% Tariff. EHIC invalid.	150% tariff. EHIC invalid.

Policy objective

18. The policy objective is to ensure that the NHS effectively recovers the costs of NHS services provided to short-term visitors and migrants from the EEA/Switzerland after the end of the Transition Period, in line with UK Government policy, to support the long-term sustainability of the NHS

19. This objective will be achieved by a combination of legislative and non-legislative policy action to provide the NHS frontline with bespoke and intensive support to improve cost recovery processes. Changes to charging regulations will come into legal effect at the end of the Transition Period on 31 December 2020.

20. Non-legislative action will include raising awareness of the charging requirements, clearly setting out best practice and enabling NHS trusts to avoid failing to recover income they identify, which would then add to their debt. Clear communications for the public and for the NHS on entitlements to free healthcare will mitigate the risk of legal challenge on the misapplication of the charging regulations.

Monetised and non-monetised costs and benefits of each option

Option 1 – Do nothing (baseline)

21. The 'do nothing' option has no additional costs or benefits versus the counterfactual. The opportunity costs of pursuing the do-nothing option (option 1) are comprised of the net benefits from implementing option 2. These are outlined in detail in the following section.

Option 2 – Amend charging regulations through secondarily legislation

Costs

<u>NHS</u>

22. There are currently 1.3m[1] EEA/Swiss nationals who are currently live in England under a pre-settled status. This means that they are not yet ordinarily resident in England and so under the do-nothing option, would be chargeable for any healthcare they use that falls within scope of the charging regulations.

23. However, due to this being legally impractical, this cohort is not expected to face NHS charges and so this element of the changes is included in the do-nothing option. As a result, there are no additional costs or benefits of this element compared to the baseline.

Individuals

24. Costs will accrue to overseas visitors and migrants as they will pay for more of their NHS treatment than currently. However, these are not costs to UK society so are not included in the NPV estimate. They are equal the additional income trusts will receive from the amendments.

25. In line with the Green Book, UK society generally includes UK residents and not potential residents or visitors.[2] However, the Green Book also suggests it can be reasonable to include costs and benefits to those living overseas. Therefore, the costs and benefits to UK nationals returning to the UK for medical treatment will be quantified but will not appear in the final net present value.

26. As the cost to UK nationals overseas is purely a financial cost, and not a health cost, the total value is equal to the lost income as described in Table 3, however the discounted value will be subject to 3.5% discount instead of 1.5%. Therefore, the cost is estimated to be £1.8m.

27. There is a risk that EEA/Swiss health systems may increase prices in retaliation to increasing the NHS tariffs to EEA/Swiss nationals, which may be an additional cost to UK nationals who travel abroad. If this comes to fruition, this would increase the costs of this policy, however it is uncertain to what extent this may happen, and which countries may do so. Therefore, this has been left unquantified.

Administrative Burden

28. The extent of administrative burden is dependant mostly on volumes, rather than the rate of tariff. It is expected the increase in tariffs will not affect migration or health use as most treatments are for needs arising treatments.

Monetary Benefits

NHS

29. There two main sources of additional income that the NHS will be benefit from. One being the additional revenue raised from raising the tariff rate from 100% to 150% when charging overseas visitors from EEA/Switzerland, and additional revenue generated when charging UK nationals who live in the EEA/Switzerland but return temporarily to receive NHS services.

[1] As of 30 June 2020 according to the EU settlement scheme - https://www.gov.uk/government/collections/eu-settlement-scheme-statistics

[2] HMT Green Book (2018)
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/685903/The_Green_Book.pdf

30. The 10-year income forecast of directly charging EEA/Swiss overseas visitors is depicted in Table 2 and assumes that short term migration remains in line with historical patterns. It captures the cohort who pre transition period would have used their EHIC card for their NHS care while visiting the UK. This may include some UK nationals who use a member state EHIC card for needs arising treatment in the UK, although this is expected to be a small proportion, and would be protected under the withdrawal agreement. EEA/Swiss nationals who stay for longer than 6 months would pay the immigration health surcharge, and so would not be affected by the increase in the tariffs. Table 2 in net present value terms is equal to £83m, equivalent to a social value of £333m when considering the value of QALY's.

31. The standard unit for measuring health benefits is the Quality-Adjusted Life Year (QALY[3]). While it is not possible to know the specific use to which any individual amount of additional funding provided to the NHS will be put, evidence is available of the average number of QALYs expected to be gained for any given amount of additional NHS funding – by whatever means these gains are achieved. This evidence is expressed as an estimate of the cost per QALY gained "at the margin" in the NHS of £15,000. In other words, the best available evidence indicates that additional health benefits of 1 QALY are generated for every £15,000 of additional funding provided to the NHS[4].

32. Standard impact assessment methodology entails monetising impacts in order to represent their value to society. It is important to note that the value society puts on a QALY is not necessarily the same as the cost at which the NHS can generate additional QALYs. DHSC estimates that society values a QALY at £60,000.

Table 2 – Forecast of income recovered from EEA/Swiss nationals by NHS Trusts (rounded, not discounted)

Visitors	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Income at 100% Tariff (£m)	16	16	17	17	18	18	19	19	20	21
Income at 150% Tariff (£m)	24	24	25	26	27	27	28	29	30	31
Net Benefit under Option 2 (£m)	8	8	8	9	9	9	9	10	10	10

33. Due to an increase in the tariffs, it could lead to a decrease in healthcare sought by overseas visitors. However, we do not believe the increase from 100% to 150% will materially affect decisions to visit England nor will it affect decisions whether to access healthcare. This is because of the following reasons:

- EHIC covers needs-arising healthcare, and so the price elasticity of this type of care is expected to be small.
- EEA visitors may already have health insurance as part of their visit, and so already paid health insurance premiums to cover this type of healthcare.
- Waiting to return to their home state for healthcare may also mean incurring health charges anyway (depending on country).

[3] A unit of health which combines length and quality of life in a single measure

[4] See http://www.york.ac.uk/che/research/teehta/thresholds/ and links therein

- Although not directly comparable, there is little evidence to suggest that non-EEA citizens do not seek this type of care because of the tariff prices.

34. UK nationals who migrate to the EEA countries/Switzerland are likely to be eligible for healthcare services in the country which they are resident in. However, there may be a proportion of this cohort who may wish to return (temporarily) to the UK for medical treatment.

35. It is difficult to estimate the future migration flows of UK nationals, let alone what proportion of those are likely to return to England on a temporary basis to receive healthcare. The amounts quantified in Table 3 are subject to various assumptions and sensitivities, more of which is discussed in the assumptions and sensitivity analysis sections of this impact assessment.

36. In net present value terms, it is estimated to bring in £25m over 10 years. This is equal to £100m in societal value in terms of QALY's. This cohort grows over time as the number of UK Nationals overseas (who migrate post transition period) is expected to grow as well.

Table 3 – Income from charging UK nationals who migrate abroad post transition period, who temporarily return to the UK and receive medical treatment. (Central scenario, real terms, not discounted, may not sum due to rounding)

UK Nationals	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Income at 100% Tariff (£m)	1.1	2.2	3.2	4.2	5.2	6.1	7.0	8.0	8.8	9.6
Income at 150% Tariff (£m)	1.7	3.3	4.9	6.4	7.8	9.2	10.6	11.9	13.1	14.4
Net Benefit under Option 2 (£m)	0.6	1.1	1.6	2.1	2.6	3.1	3.5	4.0	4.4	4.8

37. It could be expected that EEA/Swiss nationals may still use the NHS for planned treatments, and not just needs-arising care. However, EE/Swiss nationals are eligible to use an S2 form (a form which allows a patient to receive a planned treatment in another participating EEA country).

38. However, if the UK does not have a reciprocal healthcare agreement with the EU after the transition period, we may expect potential EEA/Swiss patients who would have used an S2 form in the UK, to instead receive planned treatment in another EEA country instead of being directly charged. There may be some exceptions where the UK may be the only specialist in a treatment or for continuity of care, but this is expected to be small. Therefore, we do not expect any additional benefit from increasing the tariff for this cohort compared to the baseline.

Non-Monetised Benefits

39. By only providing one single tariff for overseas charging, overseas managers responsible for charging may have efficiency gains, as they only need to decipher if a visitor is resident in the UK or not, and not whether they are from an EEA/Swiss country to determine the level of tariff.

Summary of Costs and Benefits

Table 4 - Overall impact of Option 2 compared to the baseline (Option 1) in real terms, not discounted

Overall	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Income at 100% Tariff (£m)	17.0	18.5	20.0	21.5	23.0	24.4	25.9	27.3	28.7	30.1
Income at 150% Tariff (£m)	25.5	27.8	30.0	32.2	34.4	36.6	38.8	40.9	43.1	45.2
Net Benefit under Option 2 (£m)	8.5	9.3	10.0	10.7	11.5	12.2	12.9	13.6	14.4	15.1

Risks and assumptions

40. For the estimated impacts described in this impact assessment, there are several assumptions that were made in order to quantify said impacts. These assumptions and risks are detailed in the Table 4.

Table 4 – Risks and Assumptions

Assumption/Risk	Explanation/Impact
Cost of treatment is equal to charging tariff.	The charging tariffs are not primarily designed in a way to replicate the costs. Therefore, there is a discrepancy between what is charged and what it costs the NHS. Due to way in which tariffs are organised, and the way NHS reports its treatment costs, it is difficult to undertake any matching. Therefore, for the purposes of the analysis, the tariff charge at 100% and the estimated health cost are assumed to be equal.
NHS Cost Recovery Rate at 42%	This is an imperfect measure. The way in which income is reported by trusts means that it is difficult to estimate an accurate measure of the rate of cost recovery. The actual payments received within a financial year, can relate to invoices that were raised in previous years, whereas, the income identified only relates to invoices raised within a financial year. DHSC does not have access to the profile of repayments, and so the best estimate that can be provided under the given data is 42% (cash recovered as a proportion of income identified in 2019/20).
Direct Charging/EHIC Forecast	As the charging regulations will be applied to EEA/Swiss nationals in the absence of EHIC, the estimations are based on an EHIC forecast where EHIC in continued, however the amounts are adjusted to the 150% tariff, the cost recovery rate and the current extent to which EHIC activity is recorded by trusts.
UK National Returners	This area suffers from significant data and evidence gaps. It is uncertain to estimate how the future flow of UK nationals post transition period may behave in terms of migration. Another layer of uncertainty is added when estimating how many of those may return to the UK on a temporary basis and use the NHS for chargeable services. Therefore, this area of analysis is

	bounded by many assumptions and caveats, and a sensitivity analysis has been carried out below to show the variation in assumptions.

Sensitivity Analysis

41. There are a few sensitivities that this analysis relies upon, particularly when assessing the impact of returning UK nationals:
    - Return Rate
    - Extent of health service used
    - Cost recovery rate against UK nationals
42. Table 5 below shows a range from the effects of each individual variable should they be changed, and subsequently showing the broadest range that has been estimated should these variables all move together.
43. The figures used in Table 3 is a result of using the central scenario assumptions.

Variable	Description	Low	High	Low NPV	High NPV
Temporary Return Rate	UK nationals who migrate abroad are only charged for NHS services if they are no longer ordinarily resident. This means their visit to the UK would have to be temporary to be charged. Based on ONS travel data.	5%	15%	£11.4m	£34.2m
Health services used	Whilst we can use the average health cost by age, it is uncertain how much a UK national visitor may use in accordance to their yearly average, whilst in UK.	33%	100%	£12.5m	£37.5m
Cost Recovery Rate	The cost recovery rate in general was 42% in 2019/20. However, UK national visitors may be more likely to pass as ordinarily resident, as well as living some of their life in the UK. This shows what proportion may be captured by this. Rates are applied onto the cost recovery rate (25% is 'high' as it results in higher income).	50%	25%	£20m	£30m
Total Range	Combining all the low/high estimates together, instead			£4.6m	£61.6m

	of only isolating one element.				

Wider impacts (consider the impacts of your proposals)

44. We have considered equalities issues throughout the course of the cost recovery Programme, particularly in relation to changes to charging regulations since 2015. We have built on these analyses to inform these Regulations.

45. There is little available data on the breakdown of EEA/Swiss visitors by protected characteristic and so it is not possible to determine the full extent of any potential indirect adverse impacts. The policy changes potentially impact older people or those on limited incomes as they may need to pay more for treatment than previously, and this may represent a higher proportion of their income/living allowance.

46. We consider any indirect discrimination that may arise is justifiable as a proportionate means of achieving the legitimate aim of NHS financial sustainability. The 150% tariff for non-EU visitors has not been challenged since its introduction in 2015. In mitigation, travel or health insurance is widely available to cover treatment costs, and immediately necessary and urgent treatment will always be provided regardless of the patient's ability to pay. A UK national can at any point return to the UK and resume ordinary residence, at which point they will become entitled to relevant NHS services without charge.

47. The equalities analysis sets out more detail on these and any other impacts, as well as justifications and mitigating actions.

Monitoring and Evaluation

48. DHSC current collects income identified from the charging regulations at trust level, however, cannot be split between EEA and non-EEA. The income identified by NHS Trusts to date mostly make sup of non-EEA nationals (as EEA nationals currently would use an EHIC). Therefore, we can estimate a proxy by noting any additional increases than expected in income identified to be possibly attributable to EEA nationals.

49. In order to fully assess the impact of this policy, DHSC could look to acquiring the data to be split between EEA and non-EEA nationals.

50. The main factor that will affect how the NHS recovers invoices from EEA nationals will be the ability of the overseas visitor managers in NHS trusts to correctly identify patients who are subject to the charging regulations. It may also depend on an individual's ability to pay.