IRISH MEDICAL ORGANISATION
Ceardchumann Dochtúirí na hÉireann

# IMO Budget Submission 2012

October 2011

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# Mission Statement

The role of the IMO is to **represent** doctors

in Ireland and to **provide** them with all relevant services.

It is committed to the **development** of a caring,

**efficient** and effective Health Service.

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# IMO Budget 2012 Submission

**In this year's budget submission the Irish Medical Organisation (IMO) are urging the Government not to make hasty short-term funding cuts but instead to focus on addressing inequalities in health, access to health care and to invest in initiatives that are budget neutral and will lead to long-term savings.**

## Health Inequalities

As the financial crisis continues, IMO members are increasingly concerned about health inequalities and the long-term impact the recession is having on lower income groups. Good health is socially, economically and environmentally determined. A wide range of factors – such as poverty, inequality, social exclusion, employment, income, education, housing conditions, transport access to health care, lifestyle, stress – all impact significantly on an individual's health and wellbeing. Evidence shows that lower socio-economic groups have relatively high mortality rates, higher levels of ill health and fewer resources to adopt healthier lifestyles.

- Men and women living in poorer areas have a shorter life expectancy at birth than those living in more affluent areas.[1]
- Coronary heart disease and diabetes rate are higher amongst the poorest fifth of the population[2]
- Obesity levels are lower among the wealthier classes, who are more likely to consume fruit and vegetables and be physically active[3]
- Children from poorer classes are more likely to be obese or overweight[4]
- Rates for peri-natal mortality and low birth weights are higher among babies born to parents who are unemployed or of lower socio-economic status[5]
- Life expectancy for the traveller community is substantially lower than for settled communities while infant mortality rates and suicide rates are higher [6]

It is estimated that inequalities in health account for 20% of health care costs and 15% of social security cost in the EU. [7] Public Health Policy not only improves the health of the population but will, by extension, lead to improvements in the productive capacity of the country and long-term savings to health and social welfare spending. Policy choices implemented by all departments not just the Department of Health significantly impact on a person's health.

In view of the large contribution social determinants make to the health status of the population the IMO recommends:

- The Taoiseach publishes an annual review of inequalities and inequities in health. This review should include inequalities in health status, and variances in access to health care by economic grouping and geographic location;
- Public policy must be "health proofed" to ensure that the net effect of public policy is to improve the health and wellbeing of the population while, at the same time reducing health inequalities between different sections of society;
- The establishment of a Minister for Public Health to oversee the development and implementation of policy to address the social determinants of health;
- Funding is ring-fenced for the implementation of a new Public Health Strategy. Secured funding for Public Health is of vital importance, particularly in view of the Government's plans to introduce universal health insurance – a funding mechanism which traditionally caters poorly for Public Health requirements:
- Renewed focus and investment is needed in Child Health Services.

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1 Central Statistics Office, Mortality Differentials in Ireland, 2010
2 Balanda KP, Barron S, Fahy L, McLaughlin A, Making Chronic Conditions Count, Hypertension, Stroke, Coronary Heart Disease and Diabetes, Dublin: Institute of Public Health 2010
3 Morgan et al. SLÁN 2007: Survey of Lifestyle, Attitudes & Nutrition in Ireland. Main Report. Dublin: Department of Health and Children 2008
4 Williams et al, Growing Up in Ireland, National Longitudinal Study of Children, Report 1
5 McAvoy H, Sturley J Burke S and Balanda KP, Unequal at Birth – Inequalities in the Occurrence of low Birth weight Babies in Ireland, Dublin: Institute of Public Health 2006
6 All Ireland Traveller health Study Team UCD, Our Geels, All Ireland Traveller Health Study DOHC, 2010
7 Mackenbach JP, Meerding WJ and Kunst AE, Economic Implications of Socio-economic Inequalities in Health in the European Union, DG Sanco 2007

## Access to Primary Care

Currently almost 40% of the population are covered by a medical or a GP visit card (1,689,909 people have a medical card and 125,434 have a GP visit card in July 2011) while the rest of the population pay for GP care in full.

Patients who have to pay the full costs of Primary Care may be deterred from seeking medical care, increasing the risk of delayed detection of medical problems, with the likelihood of higher health care costs in the longer term. In 2006, towards the end of the boom years, 26% of people said there were times when they did not visit their GP with a medical problem because the cost was prohibitive.[8] This is supported by the 2008 EU Survey of Income and Living conditions that showed that middle to low earners are more likely to have an unmet need for medical examination or treatment.[9] Falling incomes and spiraling household debt mean that the number of adults now unable to access Primary Care has undoubtedly increased.

*Levels of disposable income have fallen and house hold debt has increased:*

- *In 2008 over half of adults were unable to save*[10]
- *Net disposable incomes fell by over 6% in 2008 and 2009*[11]
- *In 2011 9% of mortgages are in arrears*[12] *and 110,000 ESB and Bord Gais Customers are in arrears and 11,000 have been cut off*[13]

The IMO has welcomed, in principle, the Government's Plans to introduce Universal Primary Care and to remove fees for GP care at the point of access, provided that Primary Care and GP services are adequately funded and vulnerable rural and deprived urban communities have adequate GP cover. In the meantime the Government must guarantee that those who require GP care receive it.

### The IMO recommends that the Government

- Increase the income threshold for receipt of a medical card to the minimum wage to more accurately reflect levels of disposable income;

Research shows that a strong primary care system is associated with good health outcomes, lower costs and can help meet the challenges of an ageing population including higher incidences of chronic disease.[14] Money must follow the patient in Primary Care and incentives must be provided for GPs to manage chronic care in the community. Treating patients with chronic disease in primary care is budget neutral, however the transfer of services from secondary to primary care must be accompanied by an equivalent transfer of resources.

### The IMO recommend that :

- The management of chronic disease in the primary care setting must be adequately costed and resources must be forthcoming;
- Primary Care Teams must be established and evaluated before services are withdrawn from acute care.

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8 Murphy A, cited in A Picture of health – A Selection of Irish Health Research 2006 Health Research Board downloaded from http://www.hrb.ie/uploads/tx_hrbpublications/POH_06.pdf
9 EU Survey of Income and Living Conditions 2008, in Health in Ireland key trends 2010, DOHC
10 Russel H, Maitre B and Donnelly N, Financial Exclusion and Over-indebtedness in Irish Households ESRI 2011
11 EU Survey of Income and Living Conditions 2009, downloaded from www.cso.ie
12 Carswell S, Mortgage arrears rose to new peak of 9% in July, Irish Times 20 Sept 2011
13 Hogan T and Riegel R, 110,000 families in 'serious arrears' on their utility bills, Independent 23 Sept 2010
14 C. Schoen, R. Osborn, M. M. Doty, D. Squires, J. Peugh, and S. Applebaum, "A Survey of Primary Care Physicians in 11 Countries, 2009: Perspectives on Care, Costs, and Experiences," *Health Affairs* Web Exclusive, Nov. 5, 2009, w1171–w1183.

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## Access to Public Hospital Care

Since 2007, employment in the health services has fallen by 6,654 (111,505 Whole Time Equivalents in 2007[15] vs 104,851 in July 2011[16]) Activity levels have been sustained and even increased in some areas despite the staff reduction, indicating that more is being done with less. However, for those reliant on the public health system, access to hospital care is becoming increasingly more difficult.

- Overcrowding in Emergency Departments continues. – According to the INMO's trolley watch, a record number of patients are being treated on Emergency department trolleys – 46,065 patients countrywide were treated on trolleys in the first half of 2011, up 20% on the same period last year.[17]
- In July this year, the number of children and adults waiting over 3 months for elective care outpatient care has increased by a massive 58.3% since July 2010 and by 13.6% for inpatient care.[18]
- HIQA has described long waiting times for outpatient appointments as "unacceptable and unsafe". The HSE's HealthStat shows waiting times of well over a year for access to some outpatient services in some hospitals. According to HIQA there is anecdotal evidence that waiting times could be up to four or five years in some cases.[19]

Waiting lists are major contribution to our two-tier system. 47% of the population still purchase private health insurance in order to side-step waiting lists. The Minister for Health has established a Special Delivery Unit (SDU) in order to address hospital waiting lists. However, for the SDU to succeed, hospital capacity must reflect demand and adequate financial and manpower resources must be provided to cope with the throughput of patients.

### IMO recommendations:

- As waiting lists mainly apply to patients awaiting elective care, hospital capacity should be increased through funding for units for elective care;
- No further hospital beds should be closed until alternative services are in place;
- Protect funding for hospital services;
- Prioritise the recruitment of essential frontline staff.

## Access to Long-term Residential Care

Despite an additional €6million in funding for the Nursing Home Support Scheme, 1,255 are awaiting funding under the "Fair Deal" scheme. Public nursing homes are closing due to lack of capital investment and there are concerns that funding levels under the Nursing Home Support Scheme are inadequate to meet both the complexity of care and to comply with National Quality Standards.

The Introduction of National Quality Standards and Inspections of Residential Care Settings for Older People in Ireland is welcome progress in light of the systematic deficits highlighted in the Leas Cross Report. However the IMO also has strong concerns about the general ability of public nursing homes to comply with standards in the current economic climate. There has been a sustained and regrettable lack of capital investment in public nursing homes, operational funds have been greatly reduced and the moratorium on recruitment is having a significant impact on appropriate staffing levels. Many public nursing homes have run into difficulties or closed as in the case of St Francis, Loughloe House and Sir Patrick Duns.

Although private nursing homes can manage care for some older people, patients with higher medical need and/or higher dependency levels benefit from more intensive nursing and therapy support provided for in the public sector. There is a clear need to provide a significant increase in the proportion of care in public nursing homes.

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15 Health in Ireland key trends 2010, DOHC
16 HSE Performance Report July 2011
17 INMO Trolley Watch downloaded from www.inmo.ie
18 HSE Performance Report July 2011
19 HIQA, Report and Recommendations on Patient Referrals from General Practice to Outpatient and Radiology Services, including the National Standard for Patient Referral Information, March 2011

Since the introduction of the Nursing Home Support Scheme both public and private nursing homes have seen their funding greatly reduced and there is a lack of clarity about the provision of therapies and other services and whether pricing levels are adequate for the complexity of care required.

Under the terms of the Nursing Home Support Scheme, senior citizens are expected to contribute towards their care in residential homes – up to 80% of their assessable income (ie pension) and 5% per annum of the value of any assets (including one's principle residence) capped at 15% or the first 3 years of care. The IMO believe the Scheme is unfair on many older people who have contributed to the health system all their lives through taxes and taking little from it in return, yet when they need services most are forced to contribute a further percentage of their assets including their home. The Scheme is also unfair on those who have worked hard to provide for families throughout their lives. Patients enter long-term care only when all other avenues have been explored. Older people and their families have often made Herculean efforts to stay at home for many years and often a family member has taken substantial time out of their working life to care for a relative at home. The principle of solidarity must be applied to the funding of long-term care where the cost is spread over a wider population and access to the service is based on need.

### IMO Recommendations

- Capital investment in Public Nursing Homes is required to both increase capacity and enable Homes to comply and exceed current minimum standards;
- Urgent Review of the Nursing Home Support Scheme is needed with a view to replacing it with a fairer and more equitable system of financing health care.

## Lifestyle and the Prevention of Chronic Disease

According to the World Health Organization (WHO), chronic disease accounts for 86% of deaths in Europe.[20] In Ireland, cancer and cardiovascular disease are responsible for more than two-thirds of all deaths. It is estimated that three quarters of healthcare expenditure is allocated to the treatment of chronic diseases. Approximately 80% of GP consultations, 66% of emergency admissions and 60% of hospital bed days are related to chronic diseases and their complications.[21] With Ireland's ageing population and if current trends continue bed requirements will increase by 50-60% over the next 15 years.

Certain lifestyle factors such as obesity, poor diet, physical inactivity and tobacco, alcohol and drug consumption are known to increase the risk of chronic disease. At least 80% of heart disease, stroke and type 2 diabetes as well as 40% of cancer could be prevented if certain major risk factors were eliminated. According to the WHO, "a small shift in the average population levels of several risk factors can lead to a large reduction of the burden of chronic disease,"[22] yet the OECD estimates that only 3% of healthcare expenditure is spent on prevention and public health programmes.[23]

A cross-departmental approach is needed with funding ring-fenced in each Department for the promotion of healthy lifestyles and prevention of chronic disease. For each Government Department the IMO recommends that:

### All Government Departments

- Health Impact Assessments are carried out on all new policies at design, implementation and review stages;

20 World Health Organisation (WHO), The Impact of Chronic Disease in Europe 2005 downloaded from http://www.who.int/chp/chronic_disease_report/media/euro.pdf
21 DOHC 2008, 2008:12
22 WHO, Preventing chronic diseases: a vital investment : WHO global report 2005:96
23 DOHC 2008 : 15

### Department of Health

- Publish Ireland's combined alcohol and illicit drug strategy without delay;
- Reinstate the penalties for those in breach of the Public Health (Tobacco) Acts 2002-2004 so that those who are found guilty of selling tobacco products to children will lose their licence to sell tobacco products for at least three months;
- Place 'polluter pays' levy on tobacco and alcohol manufacturers in order to make a contribution to the healthcare costs relating to the use of these substances;
- Introduce a pricing structure to discourage the consumption of food with high sugar, high fat and high salt content;

### Department of Justice

- Introduce and commence the regulations developed under Section 16 (1) (b) and Section 16 (1) (c) of the Intoxicating Liquor Act;

### Department of Finance

- Increase the price of all tobacco products by at least 10%;

### Department of Education and Skills

- Introduce compulsory health education up to the end of the senior cycle;

### Department of Transport, Tourism and Sport

- Support the development of swimming pools and alternative outdoor sporting pursuits, such as the construction of Coillte supported mountain bike circuits;

### Department of the Environment

- Provide funding for more playgrounds, cycle lanes and other measures to promote improved physical activity in all ages and especially schoolchildren.

## Electronic Medical Records

Despite the obvious and immediate savings to be made the Government have failed to invest in electronic medical records. Electronic medical records can enhance patient safety and quality of care, reduce repetition and errors in diagnostics and treatments and lead to administrative efficiencies. The collection of data also allows for the advance of medical knowledge, management of disease and health service planning. Electronic health records can also support integrated care and the smooth transfer of patients between settings.

### The IMO recommends that the Minister for Health:

- Publish the long-awaited Health Information Bill to clarify issues of confidentiality, access and security in relation electronic health records and secondary use of data;
- Direct HIQA to accelerate the adoption of national standards for the storage and exchange of digital medical records;
- Ensure that current and future investment in electronic medical record systems such as the electronic referral system is protected.

# Summary of Recommendations

## Health Inequalities

- The Taoiseach publishes an annual review of inequalities and inequities in health. This review should include inequalities in health status, and variances in access to health care by economic grouping and geographic location;
- Public policy must be "health proofed" to ensure that the net effect of public policy is to improve the health and wellbeing of the population while, at the same time reducing health inequalities between different sections of society;
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## Access to Primary Care

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# Lifestyle and the prevention of Chronic Disease

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