IRISH MEDICAL ORGANISATION

Ceardchumann Dochtúirí na hÉireann

IMO Budget Submission 2014

16th August 2013

IMO Budget Submission 2014

As Ireland enters a fourth year of austerity the on-going recession and successive budget cuts have had a detrimental impact on population health and our health system. In the IMO Budget 2014 submission doctors in Ireland wish to highlight the negative effects of the economic downturn as well as the opportunities the recession can create to improve health and health care:

1. Recession offers opportunities for reform and the Government has embarked on major reorganisation of the health system. Efficiencies have been made but investment is now required if the Government is to achieve its goal.
2. The IMO are also concerned about growing health inequalities and inequalities in access to care under the recession and it is important that budgetary measures do not further widen the gaps.
3. There is a link between recession and suicide and thus a need to ensure adequate resources are available for suicide prevention programmes.
4. Despite an increase in excise duties last year, alcohol remains cheap to purchase relative to the societal costs of problem alcohol use. There is room to introduce a minimum alcohol pricing structure in order to reduce the burden of excessive alcohol consumption.

1. Health System Reform and Investment in Health Services

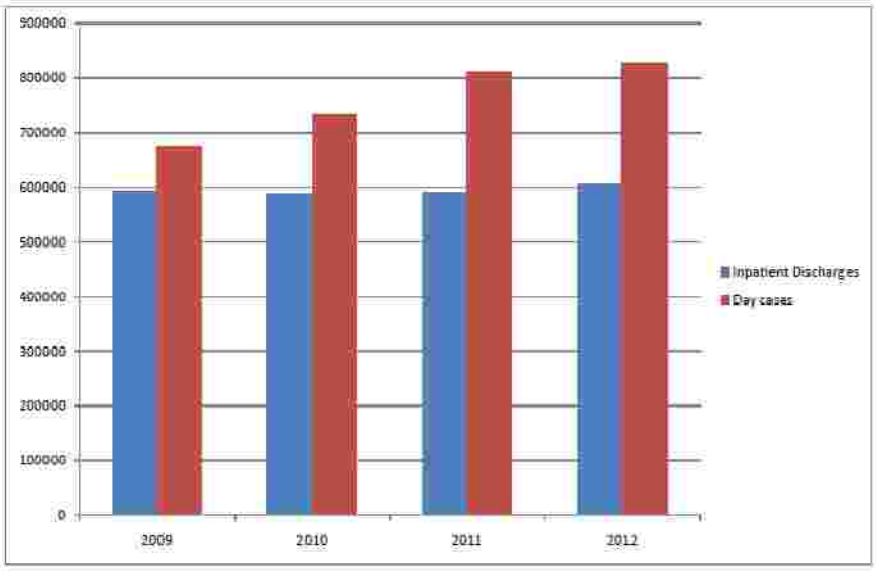
Recession offers opportunity for reform and the Government is embarking on major reorganisation of our health services to include reconfiguration of our hospital services and reform of the delivery model of care so that the majority of an individual's health care needs are met in primary care. The goal is to move to a system of Universal Health Insurance based on the Dutch model of competing private health insurers and competing public and private providers. The IMO supports universal health care system based on the principles outlined in the IMO Position Paper on Universal Health Coverage 2010, however before embarking on reform of the funding model, the Government must focus on the allocation of current resources. Since 2009 Government expenditure on health has fallen by 10% or €1.5bn and there are 11,000 less people employed in our health services. While efficiencies have been made there are signs that the health system in under financial strain. Investment in our health services is now needed if the Government is to achieve its Programme of Reform.

Hospital Services

Since 2009, efficiencies have been made throughout the health care system. Despite reductions in funding and staffing levels, hospital activity has increased. Inpatient activity is up slightly by 1.6% since 2009 while day case activity has increased by 22.5%.[i]

Emergency admissions are also up by 5% in 2012 and the last available figures also show 5% increase in outpatient activity up to 2010.

Inpatient and Day case Activity 2009-2012



(Source HSE Annual Report and financial Statements 2012)

Despite the efforts of the Special Delivery Unit in reducing waiting times, there are signs that the hospital system is overstretched and that waiting lists are on the rise again. Figures from the Patient Treatment Register show

- the total number of people waiting over 6 months for hospital in patient or day-case treatment has almost doubled in 4 months , with 11,348 patients waiting over 6 months in April 2013 compared to 6,038 in Dec 2012.[ii]
- The number of patients waiting over 9 months has increased from 817 to 3715 and the number waiting over a year has increased from 36 to 653.
- There are still 369,339 patients waiting for an Outpatient appointment, with 87,847 waiting over a year. [iii]

Under *Future Health - A Strategic Framework for the Reform of the Health Service 2012-2015* the hospital system is to be reconfigured into regional groups prior to the establishment of hospital Trusts and funding of hospital services is to shift from historical budget allocation with some adjustment for case mix to a system of money follows the patient. The goal of reform is to provide long-term efficiencies in the provision of hospital services and transparency in the funding of hospitals. While the Minister for Health has published the report on the Establishment of Hospital Groups and the Framework for smaller hospitals, there is no provision of Capital funding to enable Hospitals Groups to reconfigure their services and the moratorium on recruitment is to remain in place. As the Government moves to a system of Money Follows the Patient Hospitals Service planning must be based on a realistic assessment of the likely number of patients who will need treatment and budgets must be then allocated accordingly

IMO Recommendations

- Capital funding must be provided to support the reconfiguration of hospital services
- Under Money Follow the Patient the Government must ensure that adequate financial and human resources are provided to address growing waiting lists for elective care and outpatient services

Primary Care

Efficiencies have also been made in General Practice. Since 2008, there are now more than half a million additional people with a medical card or GP visit card while GMS income to GPs has hovered in and around €300million per annum forcing GPs to examine their costs and reduce their overheads and staffing costs.

The most recent cuts under FEMPI (Financial Emergency Measures in the Public Interest) legislation has seen GP income reduced in the region of 23%, limiting their ability to carry out *pro bono* services such as phlebotomy services, warfarin monitoring and blood pressure monitoring. [iv]

There has been little or no support either for the establishment of Primary Care Centres. Despite the HSE's claims that there are 426 Primary Care Teams in place at the end of 2012, just 10,610 patients were discussed at Clinical Team Meetings with a multidisciplinary plan of care in place.[v]

Under *Future Health - A Strategic Framework for the Reform of the Health Service 2012-2015* the Government is committed to reforming the model of care so that 90-95% of healthcare needs are met in Primary Care. The Government has promised GP care free at the point of access for all, the development of chronic disease management in Primary care supported by a new GP Contract and capital provision for the development of Primary Care centres.

The advantages of Primary health care are well documented. A strong Primary care system is associated with better health outcomes, equity of access, more appropriate utilisation of services, cost effectiveness and increased patient satisfaction.[vi] Despite the known advantages of Primary Care no new funding has been provided to support the Government's Programme of reform for Primary Care and in fact any funding provision made has been withdrawn and diverted back to address shortfalls elsewhere in the system.

The IMO recommends

- In order to ensure that patients are treated in the appropriate setting money must follow the patient in Primary Care.
- Chronic disease management and prevention must be adequately costed and resources must be forthcoming.
- The Government must ensure adequate investment in facilities and resources to support Primary Care Teams

2. Health Inequalities and Access to Care

The IMO have been highlighting for a number of years now, the significant inequalities in health that exist between wealthier and poorer socio-economic groups in Ireland. Evidence shows that poorer socio-economic groups have relatively high mortality rates, higher levels of ill health and fewer resources to adopt healthier lifestyles.[vii] Significant inequalities also exist in accessing healthcare in Ireland with those who have neither a medical card nor private health insurance most affected. As the recession continues, IMO doctors are concerned about widening inequalities in health and access to health.

Healthy Ireland

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. Because good health is socially, economically and environmentally determined, policy choices implemented by all departments not just the Department of Health can significantly impact on a person's health. The IMO welcomes the publication of *Healthy Ireland – A Framework for Improved Health and Wellbeing 2013-2025* and the adoption of a Health in All Policies (HiAP) approach to addressing the socio-economic determinants of health. The IMO is calling urgently for the development of a detailed implementation plan for *Healthy Ireland* with appropriate multi-annual ring-fenced funding to support actions and initiatives.

Health Ireland also emphasises the importance of Health Impact Assessment. Health Impact Assessment is defined as *"a combination of procedures, methods and tools by which a policy, program or project may be judged as to its potential effects on the health of a population, and the distribution of those effects within the population".*[viii] The IMO believe that all public policy including budgetary measures should be subject to a Health Impact Assessment.

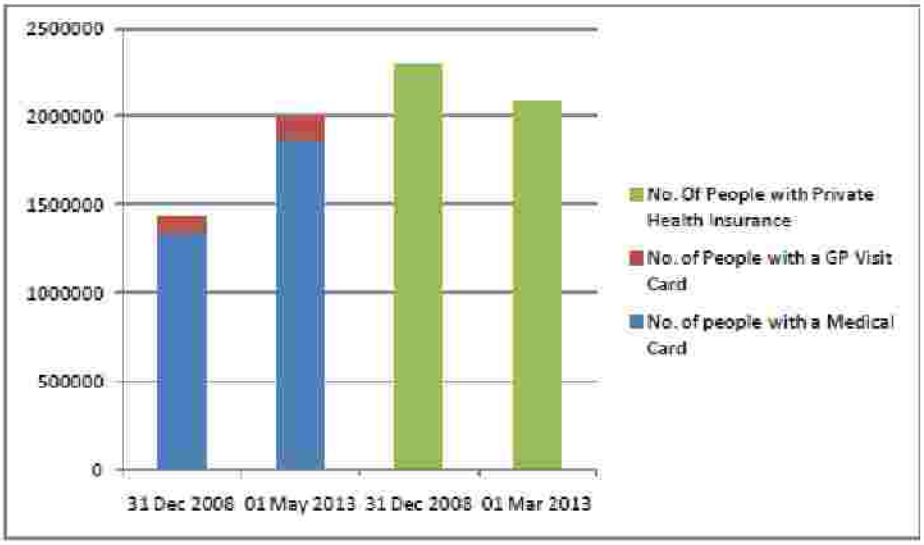
Recommendations

- The IMO welcomes the publication of *Healthy Ireland – A Framework for Improved Health and Wellbeing 2013-2025* and is calling for the development of a detailed implementation plan with appropriate multi-annual ring-fenced funding to support actions and initiatives.
- All public policy including budgetary measures should be subject to a Health Impact Assessment.

Access to Care

In the IMO Position Paper on Health Inequalities, the IMO also highlighted the role of health systems in addressing health inequalities by assuring equal access to quality services and preventive care. High out-of-pocket payments can act as a barrier to health care and increase inequalities as individuals delay seeking medical care or purchasing prescription medicine due to cost.

No. Of People with a Medical Card or GP Visit Card and PHI 2008 & 2013



While the number of people holding a medical card has increased rapidly (from 1.352 milllion or 30.1% of the population at the end of December 2008 to 1.870 million or 40.8% of the population on May 1st 2013), the number of people with private health insurance has been decreasing (from 2.297 million or 50.9% of the population in Dec 2008 to 2.078 million people or 45.3% of the population at the end of March 2013).[ix]

Figures from 2010 estimate that 23% of the population or 1.055 million people have neither a medical card nor PHI[x] and are required to pay substantial out-of-pocket payments for their healthcare including:

- The full cost of visiting their GP as well as visits to other primary care health professionals, (despite the Government's commitment to free GP care at the point of access);
- Up to €144 per month for prescription drugs under the Drugs Payment Scheme (up from €100 in 2009) and;
- Inpatient charges of €80 per day in a public hospital up to a maximum of 10 days per annum. (The recent Health Bill 2013 confers rights to the Minister for Health and the Minister for Public Expenditure and Reform to adjust these charges and the maximum number of days without public debate).

Even patients with a medical card or entitled to drugs under the High Tech Drugs Scheme have not escaped out-of-pocket payments. Introduced in 2010, the fee per prescription item for these patients has risen from €0.50 to €1.50 and from a maximum of €10 per month to a maximum of €19.50.

The IMO are concerned that because of high out-of-pocket payments for healthcare, patients with neither a medical card nor private health insurance are avoiding or delaying seeking medical care. In 2006, towards the end of the boom years, 26% of paying patients said there were times when they did not visit their GP with a medical problem because the cost was prohibitive.[xi]

The IMO recommends

- There should be no further increase in out-of-pocket payments for all patients (either Medical Card or non-Medical Card holders)
- The IMO Government must identify and prioritise funding for universal access to Primary Care in agreement with the relevant stakeholders.

3. Suicide Prevention

Suicide has a devastating impact on individuals, families and communities. CSO statistics show that 507 people died from suicide in Ireland in 2012[xii] although this figure is believed to be higher as a number of deaths by suicide go undetermined. 81% of those who died were male with the highest number of deaths among males aged between 25 and 44 years old.

A number of risk factors are associated with suicide including psychiatric and psychological risk factors such as major depression or other mood disorders and negative life events, such as the loss of a loved one through death, divorce or separation, which can trigger depression, suicidal thoughts or feelings of hopelessness [xiii]. A recent study by the National Office for Suicide Prevention found some association between the recession and suicide in terms of job losses, increased risk associated with specific occupations, financial problems and the loss of possessions, such as house etc.[xiv]

Because of the link between suicide and recession there is a need ensure adequate resources for suicide prevention during this time. There are a range of population measures and targeted interventions that can impact positively on mental health and help-seeking among young people. For example means restriction is important and there is also some evidence to suggest that media treatment of suicide can affect suicide rates.

A number of population and targeted measures to prevent suicide have been laid out in *Reach Out: The National Strategy for Action on Suicide Prevention 2005-2014* and in the report of the Joint Oireachtas Sub-Committee on the *High Level of Suicide in Irish Society.*

In addition, a recent study on mental health services in England and Wales found that the provision of adequate community mental health services, in particular the provision of 24-hour crisis care, is associated with a reduction in suicide rates, with the biggest falls in deprived catchment areas. [xv]

Recommendations

- The IMO recommends that ring-fenced funding is provided:
    - For the full implementation of the recommendations outlined in *Reach Out: The National Strategy for Action on Suicide Prevention 2005-2014* and the recommendations detailed in the report of the Joint Oireachtas Sub-Committee on the *High Level of Suicide in Irish Society;*
    - To ensure the availability of Suicide Intervention Teams in all hospitals on a 24 hour 7 days a week basis;
    - To pilot the development of community based 24 our crisis mental health provision throughout Ireland.

- The IMO also recommends that all media outlets in Ireland should comply with the *Media Guidelines for Reporting Suicide and self-harm* (published by the Irish Association of Suicidology and the Samaritans), these guidelines should be legally enforceable with sufficient penalties to ensure compliance.

4. Minimum Alcohol Pricing

Finally, despite an increase in excise duties last year, alcohol remains cheap to purchase relative to the societal costs of problem alcohol use.

In Ireland the alcohol has become increasingly more affordable. Despite high excise duties affordability of alcohol fell by 50% between 1996 and 2004.[xvi] In particular, alcohol off-trade prices have decreased dramatically compared with on-trade prices [xvii]and off-licence consumption now represents 60% of total alcohol consumption in Ireland. [xviii] It is now possible for a woman to drink her low-risk weekly limit of alcohol for just €6.30 while a man can drink his low-risk limit for less than €8.50.[xix] In Ireland in 2011, 11.6 litres of alcohol were consumed per capita (aged 15years +). While consumption has fallen slightly since peaking at 14.3 litres per capita in 2001, Ireland ranks among the highest consumers of alcohol in Europe.

Problem alcohol use is however associated with more than 60 acute and chronic health disorders ranging from accidents and assaults to mental health problems, cardiovascular disease, liver cirrhosis and certain cancers. While chronic conditions more often affect older people, acute conditions are more prevalent amongst younger people.[xx] Alcohol is also related to unsafe sex, drunkenness, public disorder and interpersonal problems.

The HSE has estimated that the cost to the health care system of alcohol related illness in 2007 at €1.2 billion while the overall cost to Irish society of problem alcohol use is estimated at €3.7billion including health care costs, crime, costs of premature death and premature mortality; and accidents and absenteeism at work.[xxi]

	€million	% of total costs
Cost to the health care system of alcohol related illnesses	€1,200	32
Cost of alcohol related suicides	167	5
Cost of alcohol related road accidents	526	14
Cost of alcohol related crime	€1,189	32
Cost of output lost due to alcohol related absence from work	330	9
Cost of alcohol related accidents at work	197	5
Cost of alcohol related premature mortality	110	3
Total	**€3,719**	**100**

Source: Byrne S. Costs to Society of Problem Alcohol Use in Ireland 2010: HSE

There is a direct link between alcohol-related harm and the volume and pattern of alcohol consumed. [xxii] In economics the law of demand states that when the price of a commodity rises, demand for that commodity falls. Even for potentially addictive substances such as alcohol, tobacco or illicit drugs this rule has been found to hold.[xxiii] As alcohol related harm is linked to excessive alcohol consumption, Alcohol Pricing Policies therefore offer an opportunity to reduce alcohol related harm.

Under a Minimum pricing structure, the price per unit becomes more expensive particularly affecting demand by younger binge drinkers and excessive harmful drinkers who are most likely to purchase cheaper alcohol, thus minimum pricing can reduce alcohol-related harm without necessarily penalising moderate drinkers [xxiv]

Analyses from Canada where minimum pricing has been in place in some Provinces for decades concludes that a 10% rise in average minimum alcohol prices is associated with a reduction of 32% in death wholly due to alcohol, a 9% in chronic and acute alcohol related hospitalisations and a 3.4% reduction in total consumption. [xxv]

In Ireland further analyses of the alcohol consumption and expenditure patterns, health data and data on crime is needed to set a minimum price that sufficiently reduce consumption and alcohol related harm.[xxvi] However, Scotland is pressing ahead with a minimum price of 50p per unit of alcohol following confirmation that such pricing policies are not affected by EU competition law. Currently a cross-border Health Impact Assessment is underway as part of developing a legislative basis for minimum alcohol pricing for Ireland and Northern Ireland. This is due be completed in 2014.

Recommendation

- The IMO is also calling on the Department of Health to continue work with counterparts in Northern Ireland and Scotland to introduce of a minimum price structure for alcohol, based on grams of alcohol.

Summary of Recommendations

1. Health System Reform and Investment in Health Services

Hospital Services

- Capital funding must be provided to support the reconfiguration of hospital services
- Under Money Follow the Patient the Government must ensure that adequate financial and human resources are provided to address growing waiting lists for elective care and outpatient services

Primary Care

- In order to ensure that patients are treated in the appropriate setting money must follow the patient in Primary Care.
- Chronic disease management and prevention must be adequately costed and resources must be forthcoming.
- The Government must ensure adequate investment in facilities and resources to support Primary Care Teams

2. Health Inequalities and Access to Care

Healthy Ireland

- The IMO welcomes the publication of *Healthy Ireland – A Framework for Improved Health and Wellbeing 2013-2025* and is calling for the development of a detailed implementation plan with appropriate multi-annual ring-fenced funding to support actions and initiatives.
- All public policy including budgetary measures should be subject to a Health Impact Assessment.

Access to Care

- There should be no further increase in out-of-pocket payments for all public patients (either Medical Card or non-Medical Card holders)
- The IMO Government must identify and prioritise funding for universal access to Primary Care in agreement with the relevant stakeholders.

3. Suicide Prevention

- The IMO recommends that ring-fenced funding is provided:
    - For the full implementation of the recommendations outlined in *Reach Out: The National Strategy for Action on Suicide Prevention 2005-2014* and the recommendations detailed in the report of the Joint Oireachtas Sub-Committee on the *High Level of Suicide in Irish Society;*
    - To ensure the availability of Suicide Intervention Teams in all hospitals on a 24 hour 7 days a week basis;
    - To pilot the development of community based 24 our crisis mental health provision throughout Ireland.

- The IMO also recommends that all media outlets in Ireland should comply with the *Media Guidelines for Reporting Suicide and self-harm* (published by the Irish Association of Suicidology and the Samaritans), these guidelines should be legally enforceable with sufficient penalties to ensure compliance.

4. Minimum Alcohol Pricing

- The IMO is also calling on the Department of Health to continue work with counterparts in Northern Ireland and Scotland to introduce of a minimum price structure for alcohol, based on grams of alcohol.

References

[i] HSE, Annual Report and Financial Statements 2012
[ii] NTPF National Trend Analysis of Waiting Times June 2013
[iii] NTPF, Outpatient Waiting lists. June 2013
[iv] IMO Submission on the review of the Operation of Cuts under the Financial Emergency Measures in the Public Interest Act 2009, January 2013
[v] HSE Performance report December 2012
[vi] Atun R, What are the Advantages and Disadvantages of Restructuring a Health System to be More Focused on Primary Care Services? Copenhagen, WHO Regional Office for Europe, Health Evidence Network report ; January 2004
[vii] See IMO Position Paper on Health Inequalities 2012 for further details.
[viii] WHO Europe, European Centre for Health Policy. Health Impact Assessment: main concepts and suggested approach. Gothenburg consensus paper. 1999.
[ix] HIA, Newsletter May 2013
[x] CSO, Health Status and Health Service Utilisation, Quarterly National Household Survey, Quarter 3 2010
[xi] O'Reilly D. et al , Consultation Charges in Ireland deter a large proportion of the patients from seeing the GP: results of a cross-sectional survey. Eur J Gen Prac 2007;13(4):231-6
[xii] CSO, Vital Statistics, Fourth Quarter and Yearly Summary 2012
[xiii] Krug E.G. et al, Self Directed-Violence, *World Report on Violence and Health* World Health Organization (WHO) Geneva 2002 : 183-212
[xiv] Arensman E. et al, First Report of the Suicide Support and Information System, National Suicide Research Foundation, Cork : 2012
[xv] While D et al, Implementation of mental health service recommendations in England and Wales and suicide rates, 1997—2006: a cross-sectional and before-and-after observational study, Lancet 2012 : 379: 1005-12
[xvi] Rabinovich L, Brutscher P, de Vries H, Tiessen J, Clift J and Reding A. The affordability of alcoholic beverages in the European Union. Understanding the link between alcohol affordability, consumption and harms, Cambridge, UK: RAND Europe. 2009
[xvii] Rabinovich L. Hunt P. Staetsky L. Goshev S. Nolte E. Pedersen J and Tiefensee. Further Study on the affordability of alcoholic beverages in the EU. A focus on excise duty pass-through, on- and off-trade sales, price promotions and pricing regulations Cambridge UK: RAND Europe 2012
[xviii] Foley A. The Drinks Market Performance in 2012, Prepared for the Drinks Industry Group of Ireland Dublin : DCU Business School 2013
[xix] Alcohol Action Ireland, Minimum Pricing, http://alcoholireland.ie/campaigns/minimum-pricing/
[xx] Mongan D, Reynolds S, Fanagan S and Long J, Health-related consequences of problem alcohol use. *Overview 6 Dublin: Health Research Board* 2007: 45-46
[xxi] Byrne S. Costs to Society of Problem Alcohol Use in Ireland 2010 Dublin: Health Service Executive
[xxii] Steering Group Report on a national Substance Misuse Strategy, Dublin: Dept of Health 2012
[xxiii] Rabinovich l. Et al 2012
[xxiv] Dyer O. Minimum alcohol pricing delivers health benefits without penalising moderate drinkers, finds analysis BMJ 2013; 346:f2939
[xxv] Dyer O. 2013
[xxvi] Alcohol Action Ireland, The Facts, What is Minimum Pricing? Downloaded from http://alcoholireland.ie/minimum-pricing-campaign/your-questions/