IRISH MEDICAL ORGANISATION

Ceardchumann Dochtúirí na hÉireann

IMO Submission to the Department Of Health and Children

on the Department's Strategy Statement 2011-2014

July 2011

1. IMO Position on Universal Health Care

The IMO supports the introduction of a Single-tier system in Ireland and calls on the Minister for Health and Children to immediately take steps to bring an end to two tier medical care in Ireland. The IMO also calls on the Minister for Health to ensure the IMO principles of Universal Health systems are incorporated into any development of a Universal Insurance model for the provision of healthcare in Ireland.

IMO Principles of Universal Health Care
(See *IMO Position Paper on Universal Health Coverage* attached).

- Access to adequate health care for all
- Services that are free at the point of access
- Equity of access
- Solidarity
- Transparency
- Quality of care and value for money
- Choice and mobility
- Clinical autonomy
- Efficiency
- Affordability
- Sustainability

The IMO is concerned that emulating the Dutch Health care financing system may not necessarily lead to the desired outcome. The Dutch system is very much a "work in progress" and little research has been done into the real effects of mandatory private health insurance on quality of care and efficiency. In addition, there are important cultural and historical differences between the health systems in the two countries that make a blunt importation likely to lead to considerable difficulties. IMO members are concerned that healthcare decisions will be left to profit-seeking insurance companies rather than based on the opinions of professionals and the needs of patients.

The IMO calls on the Government to cost and validate competing private insurers V's taxation-predominant funding of any future universal health system, espousing the principles of equity and free-at-the-point-of-contact access to all resources, before proceeding headlong with a UHI model. The

Government must produce, cost and set out an implementation plan for a sustainable health policy for our country into the future to include a coherent capital investment plan.

All actions must be taken in full consultation with all relevant stakeholders.

2. Primary Care

In the *Government for National Recovery 2011-2016* the Government plans to introduce Universal Primary Care and remove fees for GP care on a phased basis within this term of office. Under Universal Primary Care GPs will be paid primarily by capitation and will work in Primary Care Teams (PCTS) with other Primary Care professionals. A new GP contract will provide incentives to GPs to care more intensively for patients with chronic illness – significantly reducing pressures and demands on the hospital system. Under the new GP contract the rate of remuneration will be reduced.

The IMO welcomes, in principle, the plans for GP care that is free at the point of access, however the IMO insist that:

- Adequate investment in facilities and resources to support primary care teams is needed for their success. Under resourcing of the 2001 Primary care strategy failed to deliver 530 PCTs over ten years. Just 348 PCTs are in place (Dec 2010) and holding clinical meetings. [1]
- The negotiation of a new GP contract requires an urgent amendment to Section 4 of the Competition Act.
- The implementation of National Quality Standards must also be adequately resourced and details of a future licensing system must be forthcoming.
- Capitation is an overly simplistic method of deciding on payment. Patient attendances must be included in remuneration calculations as well as the patient demographic that a GP provides care for. To disadvantage Doctors working in deprived areas further would be unacceptable to the IMO.
- It is important that vulnerable rural and deprived urban communities have adequate GP cover. It is incumbent on the new Government to insure that these positions remain attractive to new entrants.
- The transfer of services from the secondary to the primary care setting must be accompanied by the equivalent transfer of resources. Money must follow the patient and incentives must be provided for GPs to take on all chronic care. This must be costed correctly. Without adequate resources, it is likely that the transfer of services from secondary to primary care and the development of Primary Care Teams will fail. Primary teams must be established and evaluated before services are withdrawn from acute care.
- GPs have already had their payments reduced under FEMPI. Further reduction in remuneration risks impacting further on their ability to provide adequate services. Budget constraints leading

[1] HSE, Annual Report and Financial Statements 2010

to the closure and reduction of Emergency Department Services relies on GPs to fill the gap and provide frontline services to the most vulnerable in the population. GP services must be adequately resourced to provide safe and local care.

- Patient incentives are required to encourage those with minor emergencies to attend their GP rather than the Emergency Department. Evidence-based patient incentives are also required to prevent overuse and abuse of the system.
- Cost-sharing is known to deter both necessary as well as unnecessary use of medication and it is generally accepted that they should not be applied to lower socio-economic groups or individuals with higher medical needs. The 50c co-payment on prescription charges under the GMS and the Long-term illness scheme must be immediately reversed. Substantial savings can be made to the State's drug costs through the implementation of the IMO's proposal on Generic Medicines Policy.

3. Universal Hospital Care

In the *Government for National Recovery 2011-2016* the HSE will be dissolved and hospitals will be managed by independent not-for-profit trusts. Insurers will negotiate with hospitals to help control costs and hospitals will be paid on a "money follows the patient" basis. Hospitals that play an important role in an area should not be allowed to close and will be assisted in the provision of important local services.

The IMO supports the separation of the purchaser –provider functions and the concept of "money follows the patient" in hospital care however:

- Ireland still has an issue of acute care capacity and has one of the lowest per capita numbers of hospital beds in the developed world. In 2008, Ireland had 2.6 acute hospital beds per thousand population compared to the OECD average of 3.5 beds per thousand population in 2009.[2] The failure of the co-location project to deliver acute bed capacity highlights the danger of relying on the private sector for the provision of healthcare. Waiting lists primarily affect patients awaiting elective care or those with complex chronic illness. Urgent investment is needed in acute bed capacity particularly units for elective and chronic care.
- Given the problems encountered in the reconfiguration of hospital services to date, the IMO insist that alternative services are in place before any further closures or downgrading of hospitals takes place.
- Savings are being delivered under the terms of the Croke Park Agreement. The Government must not renege on the Agreement by further reducing Consultant remuneration. Public sector workers have taken substantial cuts in pay according to their level of income. Singling out

[2] OECD Health Data 2011

hospital consultants for further reductions will further demoralise the profession and lead to a further drain of Irish trained doctors abroad to better opportunities and working conditions. The recent IMO Consultant Benchmark Study showed that one in four consultants have contemplated leaving the public health system and one in five described their morale as "very low". [3]

4. Care of Older People

The *Government for National Recovery 2011-2016* states that investment in the supply of more and better community and residential care will be a priority for this Government and that the Nursing Home Support Scheme will be reviewed.

The IMO welcomes the Governments proposals to provide additional funding for the care of elderly people:

- There is a clear need to provide a significant increase in the proportion of care in public nursing homes. Again Long-term care highlights the dangers of relying on Private Sector Provision. The majority of long-term beds are provided by private nursing homes that are unable to care for all patients who present to them. Although private nursing homes can manage care for some older people, patients with higher medical need and/or higher dependency level patients benefit from more intensive nursing and therapy support provided for in the public sector.
- Urgent review of the Nursing Home Support Scheme is needed with a view to replacing the scheme with a fairer and more equitable system of financing health care. The "Fair Deal" scheme is inadequate as a mechanism for financing long-term care as in April this year the HSE flagged that the scheme could no longer accept applicants and was short €6bn in funding.[4] There are also serious concerns about the tendering arrangements (no therapies, aids or continence wear are included) and whether pricing levels are adequate for the complexity and standard of care required. As a result of the Scheme which is administered by the National Treatment Purchase Fund, nursing homes have seen their funding greatly reduced. Given the calculation of the Joseph Rowntree Foundation on adequate funding of nursing home care, the IMO has grave concerns about the feasibility of providing adequate care at current funding levels. [5]

[3] IMO Consultant Benchmark Study 2011
[4] Shanahan C. Fair Deal crisis was flagged in April, *Irish Examiner* 20 May 2011
[5] Laing W. Calculating the Costs of Efficient Care Homes, *Joseph Rowntree Foundation* Sept 2008

5. Integrated Care

The *Government for National Recovery 2011-2016* states that the integration of care in all settings is key to efficient health care delivery.

However the section on integrated care omits that a key tool for assisting integrated care is a national system of electronic medical records. The IMO is calling for:

- Investment in a secure national system of electronic medical records (EMR). EMRS not only support integrated care but can also 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 clinical audit, research and service planning and is crucial to ensure value for money and that costs are validated.
- The urgent publication of the Health Information Bill is required to facilitate the implementation of a national system of EMRs and to clarify the legislation in relation to the sharing of confidential patient information.

6. Mental Health Services

The *Government for National Recovery 2011-2016* states that a comprehensive range of mental health services will be included as part of the standard package offered under Universal Health Insurance and that policy on mental health incorporates the recommendations of *A Vision for Change.*

However the IMO is concerned that:

- In the current economic climate with falling property prices, the sale of psychiatric lands can no longer be relied upon to fund *A Vision for Change*. State funding for Mental Health Services must therefore be increased and ring-fenced in line with the recommendations of *A Vision for Change*.
- The HSE's Moratorium on recruitment must be lifted to allow the establishment of full Multi-disciplinary Community Mental Health Teams. In June 2011, the Independent Monitoring Group of A Vision for Change reported that "the moratorium on recruitment is having a significant and detrimental effect on the HSE's ability to fill vacated posts in existing CMHTs and to create new CMHTS". [6]
- The IMO is appalled at the denial of human rights & citizenship of those with learning disabilities and mental health illness that result in many dozen citizens being placed abroad for many years

[6] IMG. *A Vision for Change* – the report of the Expert Group on Mental health Policy Fifth Annual report on Implementation 2010, June 2011

due to the failure to meet their needs in this country and seeks urgent statement from the Minister for Health on the national plan to address this national scandal.

The IMO also recommend that:

- 0.5% of the HSE annual budget for mental health is allocated to mental health promotion to run an evidence-based public mental health campaign similar to the ones on stroke, breast cancer, heart disease etc.
- Patients have direct access to publicly funded counselling and psychotherapy services in primary care for disorders that do not require specialist mental health services.

7. Public Health

The IMO welcomes the Public Health Policy Framework Initiative of the Chief Medical Officer but for that to succeed:

- Public Health must be placed at the centre of health policy decision making.
- Health protection must be strengthened to ensure that there is the capacity to address infectious disease and environmental threats as required at a national and international level.
- Steps must quickly be taken to ensure that Public Health Medicine is made an attractive option to non-consultant hospital doctors in order to maintain the capacity of the specialty.

Finally, the health services are complex and require detailed long-term planning to run efficiently and to best serve the needs of patients. Decisions made today or tomorrow will have implications and effects for decades to come. Lessons learnt from funding cuts made in the 1980's must be remembered. The IMO urges that a thorough cost-benefit analysis is carried out before any further cuts are made to health services or health service funding.