



IRISH MEDICAL
ORGANISATION
Ceardchumann Dochtúirí na hÉireann

IMO Position Paper on Medical Card Eligibility

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Medical Card Eligibility - the IMO's Position

The Irish Medical Organisation makes the following recommendations to government concerning eligibility for free health care services;

- Increase income thresholds for medical card eligibility based on the national minimum wage. (Based on a 39 hour working week, this would entail an increase in income thresholds for a single person living alone to €273¹). Thresholds for all other categories of recipients, including single persons living with family, married couples and children should be increased proportionately. The change in threshold could be phased in over a 3 year period starting in 2005.
- The IMO calls for the development of clear eligibility criteria based on the minimum wage and the application of an annual rating mechanism reflecting changes in living standards.²

Rationale

The positive relationship between poverty and ill-health is well-documented. Available evidence suggests that those on low incomes or in poverty have relatively high mortality rates, higher levels of ill-health and fewer resources to adopt healthier lifestyles. One vital link for people into the primary health care system, particularly for those least able to afford it, is that provided by the free medical services available under the General Medical Services scheme. Persons who are unable, without undue hardship, to arrange General Practitioner medical and surgical services (plus dental and optometric services) for themselves and their dependants are provided with a medical card under this scheme entitling them to free services.

In 2001, the National Health Strategy made a commitment regarding the numbers of people entitled to hold a medical card - 'significant improvements will be made to the income guidelines in order to increase the number of persons on low incomes who are eligible for a medical card'. This has not happened.

Currently, the number of people entitled to a medical card is considerably lower than the figure identified under the 1989 agreement between medical practitioners and the Department of Health which proposed cover for up to 40% of the population.³ The percentage of the population covered by medical cards has continued to fall: for example, it was 37.52% in 1988, 35.22% in 1995, and 29.84% in 2002.⁴ As shown in the table below, the number of people losing their medical cards in 2002 amounted to almost 31,000 despite the increase in eligibility of all persons over 70 years of age.⁵ As shown in the table below, apart from an increase in cover in 2001, the trend has been a consistent reduction in the absolute number of people with medical card benefits and the percentage of the population covered by medical cards.

Based on the most recent population estimate from the Central Statistics Office for April 2004 and the latest medical card population figure for March 2005, the figure for the percentage of the population covered by the medical card is 28.3% which is almost 1% lower again than the most recent figures issued by the board for March 2005 of 29.22% which is based on the 2002 Census of Population.⁶ So far this year, over 4,000 people have lost their entitlement to the medical card.

Trend In Medical Card Cover

Table 1.

Period	No. of people covered	Overall Increase/ Decrease in number of people covered	Percentage of Population	Percentage of Population (based on population estimate for April 2004). ⁷
December 1997	1,219,852		33.64 ⁸	
December 1998	1,183,554	-36,298	31.95	
December 1999	1,164,187	-19,367	31.09	
December 2000	1,148,055	-16,132	30.32	
December 2001	1,199,454	+51,399	31.24	
December 2002	1,168,745	-30,709	29.84	
December 2003	1,158,143	-10,602	29.57	
December 2004	1,148,914	-9,565	29.33	28.41
March 2005	1,144,578	-4,336	29.22	28.3

One of the main reasons for this decline in the number of people eligible for a medical card is the fact that income thresholds for qualification for a card have not kept pace with rising incomes or welfare payments leaving many without this valuable free service. Medical cardholders have even had their cards withdrawn and potential cardholders have been declared ineligible as a result of declines in relative threshold levels.

The income threshold for a single person increased from €132 to €138 in the period 2002 to 2003 (a rise of 4.5%) and by a smaller percentage rise again from 2003 to 2004 - increasing by just 3.6% to €143 in 2004.⁹ The income threshold for a single person increased from €143 to €153.50 in the period 2005-2006, a rise of 7.5%. This means that a single person under the age of 66 and living alone can earn no more than €153.50 a week before losing his entitlement to a medical card¹⁰ - this income threshold level represents only 56% of the current national minimum wage (€273)¹¹ and 56% of the median income (€274).¹² The percentage increase in the threshold level in 2004 was less than the increase in the rate of unemployment assistance for the same period, which rose by 8%.¹³ As a result there has been an overall decline in recent years in the numbers and percentage of the population covered by medical cards.

Unless medical card eligibility criteria are reviewed to take account of rising incomes and costs of medical care, the level of hardship for those at the lower end of the income scale will increase as illness goes under-diagnosed and under-treated. Providing access to primary health care services *via* increases in medical card eligibility will produce long-term health and economic benefits.

Another issue of concern to IMO members, which should be addressed by government, is the granting of medical cards on a discretionary basis, for example, to people with chronic illnesses or disabilities. The IMO recommends that there should be standardised guidelines for the granting of medical cards. The IMO believes that the current means-tested medical card scheme offers the best way of targeting resources at the most disadvantaged. Other schemes may be more appropriately introduced to cater for people who suffer economic hardship as a result of the expenses associated with chronic illnesses or disabilities.

'Doctor Visit' Medical Cards

As part of the Health Estimates 2005, the Tánaiste announced her intention to bring about changes in the way in which General Medical Services are provided in Ireland. Among the changes proposed is the introduction of "doctor visit" cards. People whose income is 25% above the maximum limit of eligibility will receive these cards. An estimated 200,000 people will be covered by these 'doctor visit' cards. The other services associated with full medical cards, drugs and medicines, are not available to the holders of these new cards.

The IMO Response to the Introduction of 'Doctor Visit' Medical Cards.

The IMO gave a guarded welcome to the announcement of the introduction of the 'doctor visit' medical cards as the first acknowledgement by the government of the plight of the less well-off in society and their need to have access to General Practitioner Services. However the IMO has grave reservations and concerns about the absence of free medicines for these patients and the ability of this group to afford their drugs and medicine.

IMO Recommendations

The IMO's policy on medical card eligibility remains as outlined earlier in this paper namely that:

- The income thresholds for eligibility for full medical cards should be increased in line with the national minimum wage.
- That clear eligibility criteria based on the minimum wage with an annual review to take account of increases in the cost of living must be developed.

Appendix 1 - Eligibility Criteria for Medical Cards ERHA - Medical Card Guidelines

Guidelines for the issue of medical cards have been revised with effect from 1st Jan 05. All figures quoted are gross weekly income less PRSI contribution.

Single Person Living Alone	Euro	Allowances (Euro)
* Aged up to 66 years	153.50	
* Aged between 66 - 69 years	168.00	For child under 16 years - 31.50 For child over 16years with no income maintained by applicant - 32.50
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Single Person Living with Family	Euro	
* Aged up to 66 years	136.50	
* Aged between 66 - 69 years	144.50	For out - goings on house (rent etc) in excess of 26.00
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Married Couple	Euro	
* Aged up to 66 years	222.00	
* Aged between 66 - 69 years	248.50	
* Aged between 70 - 79 years	297.00	
* Aged between 80 years and over	522.50	Reasonable expenses necessarily incurred in travelling to work in excess of 23.00

People aged 16 years to 25 years dependant on their parents will not be entitled to a Medical card unless their parents also hold a medical card. Those who are financially independent of their parents will have their income assessed in their own right. A student who is entitled to a medical card will receive it in the location where he is attending college.

Persons with no income other than:

- a) Old age non contributory pension (maximum)
- b) Deserted Wife's Allowance,
- c) Infectious Diseases (Maintenance) Allowance,
- d) Disability Allowance,
- e) Lone Parent's Allowance (maximum)
- f) Single Woman's Allowance (maximum)
- g) Widow's (non - contributory) Allowance (maximum)
- h) Orphan's (non - contributory) Allowance (maximum)
- i) Blind (non - contribution) Allowance (maximum)
- j) Supplementary Welfare Allowance,

Will be regarded as being eligible for a medical card.

HARDSHIP CASES ARE DEALT WITH INDIVIDUALLY ON MERIT

NOTE: All people aged 70 years and over are entitled to apply and be issued with a medical card regardless of income. This medical card, which is not means tested covers the applicant only and does not cover dependants.

References

- 1 Source: Statutory Instrument 250/2003, National Minimum Wage Act 2000 (National Minimum Hourly Rate of Pay) Order 2003.
- 2 If the integrity of the GMS is to be maintained it is essential that increased income eligibility limits be applied uniformly across all age bands. To selectively prefer any particular age group on a non-means test basis is inequitable in terms of access to primary care.
- 3 With the population currently at 3,917,203, 40% of the population is 1,566,881. According to the GMS Payments Board, as of March 2005, 29.22% of the population are eligible for the medical card. This amounts to 1,144,578 persons. The difference between the two figures is approximately 422,303 persons.
- 4 Source: Health Statistic 1999, Dept. of Health & Children; General Medical Services (Payments) Board: Report for the year ended 31st December 2002 and for the year ended 31st December 1990.
- 5 In absolute terms this amounted to 1.168 million persons in 2002 which fell from 1.199 million in 2001.
- 6 Obtained from the General Medical Payments Board.
- 7 The Central Statistics Office has released preliminary figures for the population of Ireland as of April 2004 of 4,043,800. This figure is based on the 2002 census of population figure and takes account the natural increase in population and migration. It is subject to revision with the release of the 2006 census results. [Source:
- 8 The years from 1997 to 2001 are based on 1996 Census of Population.
- 9 In order to give effect to Section 45 of the 1970 Health Act, the Chief Executive Officers of the Health Boards, issue Medical Card Guidelines effective from the 1st of January each year based on the increase in the Consumer Price Index in the previous 12 months. Ref: Southern Health Board, Report on Medical Cards - Income Limits, by Pat Healy.
- 10 See Appendix 1 for Medical Card Guidelines for 2005.
- 11 This represents a fall on the previous year, where the medical card income threshold represented 56% of the weekly minimum wage (€138/€247.65), the latter calculated on the basis of a 39 hour week at an hourly rate of 6.35.
- 12 The calculation of the national minimum weekly wage is based on the following: 7 hourly rate x 39 = 273. The median income figure is based on the ESRI's calculations in Monitoring Poverty Trends: 2000 Living in Ireland Survey.
- 13 The maximum rate of unemployment assistance increased from 124.80 in 2003 to 134.80, a rise of 8%. [Source: Department of Social and Family Affairs].