IRISH HOSPITAL CONSULTANTS ASSOCIATION

HERITAGE HOUSE
DUNDRUM OFFICE PARK
DUBLIN 14

TELEPHONE: 298 9123
FAX: 298 9395
e-mail: info@ihca.ie
website: www.ihca.ie

The State of Public Health Services

1. Demand for health care services, including acute hospital care, has increased steeply in the last decade due to an ageing and increasing population and the projections are that the demand will continue to increase into the future.

2. The 2009 published OECD Report confirms:

    a. Ireland has significantly fewer acute hospital beds than most other OECD countries at 2.7 acute beds per 1,000 of population compared with 3.8 acute beds per 1,000 of population in the OECD on average; and
    b. The average length of stay in an acute hospital in Ireland was 5.9 days which is below the OECD average of 6.5 days.

3. Despite the above compelling statistics, Irish acute hospital beds were cut by 900 in 2009 and the HSE has announced that it plans to close a further 1,100 acute hospital beds in 2010. These reductions were to be facilitated on the basis that community and co-located private hospital beds would be provided to reduce demand for acute public hospital services, but this has not occurred. Therefore the reduction in acute beds is leading to deteriorating capacity problems in acute hospitals.

4. Acute hospital service delivery has consistently exceeded the targets included in the annual HSE National Service Plans for inpatient, day case and outpatient attendances, as demonstrated in the table below. The 2010 HSE proposal to reduce in-patient numbers by 54,000 (-9.1% compared with 2009 outturn) is highly questionable given demand levels and the reduction of 7,775 (-1.3%) achieved in 2009.

Hospital Service Delivery Outturns vs. the HSE National Service Plan Targets

	2007	***2008***	***2009***
In-Patient Discharges	+2.5%	+1.7%	+3.5%
Day cases	+2.5%	+7.9%	+4.3%
Emergency Presentations	+5%	+3.3%	- 3.3%
Emergency Admissions	+3%	-0.3%	-0.4%
Outpatient Attendances	+9%	+18.0%	+3.1%
Births (Year on Year)	+10%	+5.3%	+1.1%

Sources: HSE Performance Reports.

5. Overall, the actual number of patients treated in public hospitals has increased by an estimated 2.2% in 2009 compared with 2008, as outlined in the table below.

Acute Hospital Activity

	2008	***2009***	***Variance***
In-Patient Discharges	601,134	593,359	-1.3%
Day cases	629,758	674,949	+7.2%
Sub-Total	*1,230,892*	*1,268,308*	*+ 3.0%*
Out-patients	3,271,665	3,334,585	+1.9%
Births	73,815	74,602	+1.1%
Overall Total	**4,576,372**	**4,677,495**	**+2.2%**

Source: HSE Performance Report 11th February 2010

6. The National Hospital Office and the acute hospital budgets have been based on underestimates of demand, highlighting persistent underfunding of the order of 3% -4% per year.

7. The proposed reductions in acute hospital budgets for 2010 give rise to grave concerns as they will force budget driven cuts in hospital beds and other resources required to meet the increasing demand for health care.

8. Underfunding to date and restrictions on service delivery have resulted in:

    a. Increased waiting lists, which have totaled around 40,000 inpatient and day-case patients;
    b. Increased reliance on trolleys in Emergency Departments due to a lack of beds to admit patients; and
    c. Excessive patient waiting times in many Emergency Departments where patients have to endure delays in treatment and admission.

9. There is a serious concern that the mismatch in funding and resources, which is based on an underestimate of demand, will give rise to even greater service restrictions in 2010.

10. Double digit hospital budget cuts are being imposed on hospitals in 2010 which are well in excess of those justified by the pay and other identified savings. These budgets will therefore severely restrict service delivery in the following hospitals:

- Galway University Hospital (-14.9%),
- Limerick Regional Hospital (-14.8%),
- Sligo General Hospital (-15.3%),
- Letterkenny General Hospital (-14.4%), and
- Connolly Hospital (-12.6%)

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Submission

to the

Public Accounts Committee

On

Public & Private Medical Practice

Introduction

According to figures supplied to the Committee by the Chief Executive of the HSE, circa 86% of publicly appointed Hospital Consultants have accepted Consultant Contract 2008. The remainder are employed under previous contracts, having foregone the option of taking the new one.

There are two classes of Consultant catered for under the 2008 Contract. There are 682 who have taken a Type A Contract and are remunerated solely by way of public salary. The remainder, are remunerated by a lower salary than their Type A counterparts and also retain the right to treat private patients.

Every citizen of this country is entitled to avail of free hospital care, including inpatient, day case and outpatient services. They can elect to forego their entitlement and to be treated as private patients. In excess of 50% of the population are members of private health insurance schemes. The State (HSE and voluntary hospitals) derives considerable income from those patients.

Summary

1. The information currently provided by the HSE does not accurately reflect the clinical activity of Hospital Consultants as significant parts of their activity are not recorded or analysed.
2. It is the patients themselves who determine whether they are to be treated in a public or private capacity
3. There is incontrovertible evidence that the reports currently in circulation are inaccurate

4. Due to the present fiscal difficulties there is growing pressure on hospital managers to maximise the income to hospitals that is generated from private patients. This will support the maintenance of services to public patients that would otherwise have to be curtailed.

Contractual Provisions

Those Consultants who may engage in private practice under Consultant Contract 2008 are governed by Section 20. It states, *inter alia,*

- The volume of private practice may not exceed 20 % of the Consultants workload in any of his clinical activities including inpatient, day case and outpatient.

- The volume of practice refers to patient throughput adjusted for complexity through the medium of the Casemix system.

A higher ratio is permitted to individual Consultants in certain circumstances

The HSE proposed the use of the Casemix system as the measurement tool.

Casemix System

The Casemix system, also known as the Hospital Inpatient Enquiry (HIPE) System was originally designed as an economic model to aggregate data on hospital activity and costings, to provide a basis for allocating resources to hospitals and to develop service plans. **It was never intended to be used to micro manage the clinical activity of individual consultants.**

The Casemix model analyses the record of each patient discharged from hospital. It records the following information:

Patient name
Case referenced number
Dates of admission and discharge
Dates of first and principal procedure
Day case indicator
Admission type and admission source
Discharge status and discharge destination
GMS Status
Medical card number
Admitting and Discharge Consultant

Intensive care days
Private care days
Public care days (optional)
Infant admission weight
Date of transfer to Pre-Discharge Unit
Admission mode
Waiting list indicator
Principal and up to 19 secondary diagnoses (ICD-10-AM)
Principal and up to 19 secondary procedures (ICD-10-AM)
Date of birth
Gender
Marital status
Area of residence by county

Those items in *italics* are directly relevant to the public private ratio.

The range of **clinical activities** carried out by individual consultants includes some or all of the following:

Undertaking a detailed and comprehensive history and examination
Pre operative ward rounds to include interval history
Operating Theatre
Day case surgery
Endoscopy sessions
Post operative ward rounds
Outpatient clinics
Sub Specialty Clinics
Minor ward rounds
Non Interventional radiological examinations and reporting
Interventional radiological examinations and reporting
Labour / Delivery Ward duties
Intensive care ward activity
Recalls to problem cases
Emergencies during the working day
Out of hours emergencies / admissions
Pathology studies and reports
Post mortem examinations
Multi disciplinary team meetings

Inter hospital transfer of patients
Domiciliary visits
Case Management duties
Radiation oncology planning and delivery
Organ retrieval

This list is not comprehensive

It is clear that the Casemix system as currently structured does not capture the totality, or in some cases any, of the clinical activity of individual Consultants. For example, none of the activity in Emergency Departments, that are public only facilities, is captured. Last year alone, there were nearly 1.2 million presentations to our Emergency Departments leading to 366,000 admissions. Likewise the clinical work in specialties such as radiology, pathology or anaesthesia is not captured.

Joint Public Private Mix Committee
This Committee was established to devise a system capable of capturing all of the clinical activity of all consultants. Its work is not yet finalised. A subcommittee was established to look particularly at Radiology. This group has met on just one occasion. A second meeting was cancelled by the HSE.

It is noteworthy that PA Consultants, which had been retained during the Consultant Contract negotiations, recommended that the Casemix model on its own should <u>not</u> be used. That advice was disregarded by the HSE.

Inaccuracy of Statistics

This Association and very many individual Consultants have challenged the accuracy of statistics supplied by the HSE to date. We have irrefutable proof that they have been inaccurate in a significant number of instances. The HSE has conceded that were inaccuracies in the data furnished to the Public Accounts Committee recently.

External Factors

The reported public private ratio in 2009 was 75.5:24.5. The following factors should be borne in mind in any consideration of that outcome.

- The target ratio of the HSE is 80:20
- That ratio corresponds to the national ratio of designated beds
- Between May and December 2009, a daily average of 902 public beds were closed for budgetary reasons and a further 819 beds were occupied by patients who were medically discharged from hospital. Had those beds been available for new admissions a further 67,000 public patients

could have been treated in that period alone and brought the resultant ratio significantly closer to the target.

- Whilst the HSE target is 80:20, the vast majority of consultants with a right to private practice have a ratio well in excess of that, rendering the target unachievable.

Burden on Taxpayer

Every citizen has had the right to free hospital care in this country since 1991. They also have the right to forego their entitlements to free care and avail of like services at their own expense. In excess of 50% of the population have elected to indemnify themselves through private health insurers so that they may forego their public entitlements, should they need to be hospitalised.

The State fulfils its obligations to citizens whilst at the same time significantly reduces the public expenditure on healthcare as a consequence of this policy. It is estimated that in 2009 the State received €300 million by way of payments from health insurers for private healthcare administered in our public hospitals. It is not possible to estimate other income foregone for the year due to poor administrative processes within the HSE.

Following a decision of the Department of Health & Children last autumn, patients treated by Type A Consultants (also referred to as 'public only' consultants) are deemed to be public patients.

There is no contractual or moral impediment to Type A consultants treating private patients as such. The 'public only' description is accurate only in so far as it relates to remuneration. Type A consultants are remunerated solely by way of salary from the public purse.

There had already been a 'public only' category of consultant under a previous version of the Consultant Contract. Any Consultant holding a Geographic Wholetime Without Fees contract could treat private patients and any income generated was lodged into a research and education fund.

The Department's decision has resulted in the bizarre situation of patients who are ready willing and able to pay for their hospital care being told that they may only be treated as public patients at no cost to them (or their insurer) but at full cost to the taxpayer. **Because they must then be accommodated in a public bed they impede access of genuinely public patients to hospital.**

Role of Hospital Consultant

Hospital Consultants provide a service to patients who require medical treatment. Emergencies are prioritised over elective care. As noted, circa 66% of all admissions last year were emergencies. As it is the patients' right to determine their status, Consultants are unable to effectively control the volume of public and private patients.

The non admitting specialties of radiology, pathology and anaesthesia have even less control as they respond to requests from admitting consultants and to the needs of inpatient and day case patients who are **already in** hospital.

In addition to their clinical commitments, it should be borne in mind that consultants are also required to undertake a range of non clinical activities including:

Teaching of NCHD's and other healthcare staff
Patient chart updating / review
Meetings with relatives of patients
Arranging and reviewing tests
Medical audit
Attendance at meetings on behalf of employer
Managerial duties
Interview boards
Ethics committees
Drug trials

Contractual Dilemma

The HSE verified in a detailed audit in early 2009 that Hospital Consultants were complying with the terms o f their contract. Whilst Hospital Consultants are anxious to continue complying they are subject to the conflicting pressure from hospital managers who are increasingly concerned at the loss of income to the hospital arising from the reduction in private practice in public hospitals.

This is further compounded by the decision of the HSE to unilaterally make up to 1,700 beds unavailable each day of last year. This was achieved through closure of beds on financial grounds and a growing number of beds blocked to delayed discharges. Details for the period from May – December are available on the HSE Performance Reports

Even if the information regarding public bed shortfalls were available in a timely fashion, any corresponding reduction in private patients would negatively impact on hospital budgets, thereby aggravating the precarious financial position of hospitals. That in turn would further negatively impact on public patient access.

Conclusion

The HSE has a significant body of work to undertake to properly measure the clinical activity of Hospital Consultants. The reports issued to date do not properly reflect the totality of clinical activity and cannot be relied upon.

Given the high propensity of Irish citizens to indemnify themselves against the cost of medical treatment and thereby assuming responsibility for their healthcare, the actual expenditure of the State is significantly reduced from what it might be otherwise. Care must be taken to ensure that the State does not place an unnecessary added burden on taxpayers by forcing those who are ready willing and able to pay their own care to now become a burden on the taxpayer.

3 March 2010