# Healthcare Forum Removing Private Activity from Public Hospitals & its Impact on the Healthcare System Society of Actuaries



Mr Martin Varley Secretary General

3<sup>rd</sup> December 2019

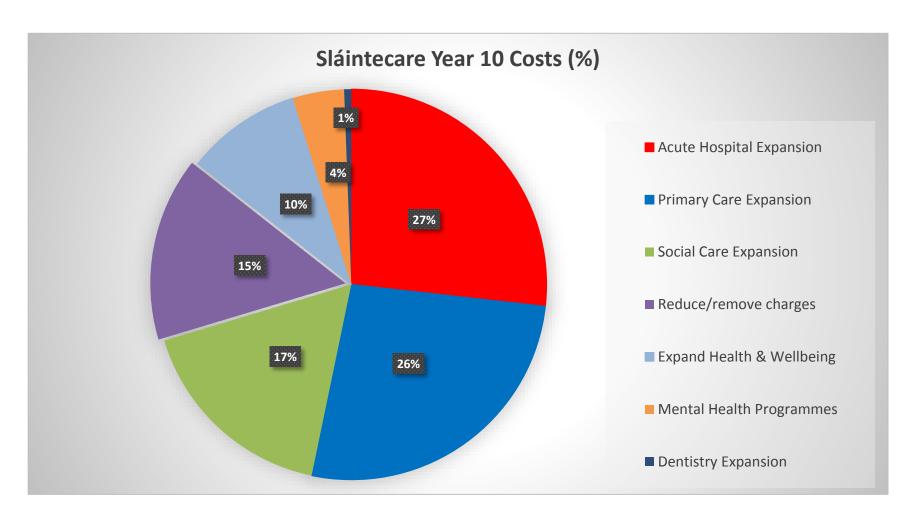


# **History of Health Reform**

- Track record: unimplemented reports and strategies
- Fitzgerald (1960s), Hanly (2003), VFC Mental Health (2006)
- Health Boards, HSE, Integrated Areas, Hospital Groups, CHOs, UHI
- Removal/Reinstatement of HSE Board
- Regional Integrated Care Organisations (RICOs): Health Boards revisited
- Rationalisation, colocation, reconfiguration, integration ...
- Strategy, Planning, Management churn
- Indicator of dysfunctionality



### **2017 Sláintecare Recommendations**



- First decade cost: €20bn plus €3bn transitional
- Second decade cost: €28bn + inflation



# Sláintecare Qualifications & Unintended Consequences

"The Committee acknowledges that removing private care from public hospitals will be complex. It therefore proposes an independent impact analysis of the separation of private practice from the public system with a view to identifying any adverse and unintended consequences that may arise for the public system in the separation. Given the acknowledged need to increase capacity in the public system, it is important that any change should not have an adverse impact on the recruitment and retention of consultants and other health professionals in public hospitals."



### **Sláintecare & Capacity Expansion??**

#### Expand Hospital Activity????

- Replace private insurance income year 2 10: Year
   10 cost €649m
- Increase consultant numbers by 593 (+20%): Year 10 costs €119m





### **Other Capacity Expansion Needs**

# Bed Capacity Deficits

- 2,600
   additional public hospital beds (€2.6Bn)
- 4,500Communitybeds (€4Bn)

#### **ICU Capacity**

Need 330 more ICU beds (€412m)



#### **Equipment & Facilities**

- Replace obsolete
- Expand facilities as inadequate
- €3.64bn to replace equipment (2017-2021)



### 2019-2021 Capital Plan

- HSE to provide 480 new hospital beds between 2019-2021
- This is 100 less beds over each of 3 years

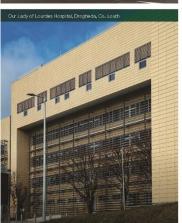


#### HSE Capital Plan - Investing in Sláintecare Ruilding Ireland's health & social care service

Building Ireland's health & social care service for today and tomorrow











#### de Buitléir Recommendations

- Legislation so public hospitals exclusively public patients from conclusion of 10 year Sláintecare implementation period
- New Consultant appointments Sláintecare Consultant Contracts – public only
- Restore pay parity to pre-2012 levels for all Consultants
- Offered "contract change payment"
- All existing contracts 39 hrs
- Declining Salaries  $A \rightarrow B \rightarrow B^* \rightarrow C$ ??



# **Consultant Vacancies and the Recruitment and Retention Crisis**





# Outpatient Waiting List (March 2013-Oct 2019) Capacity Deficits



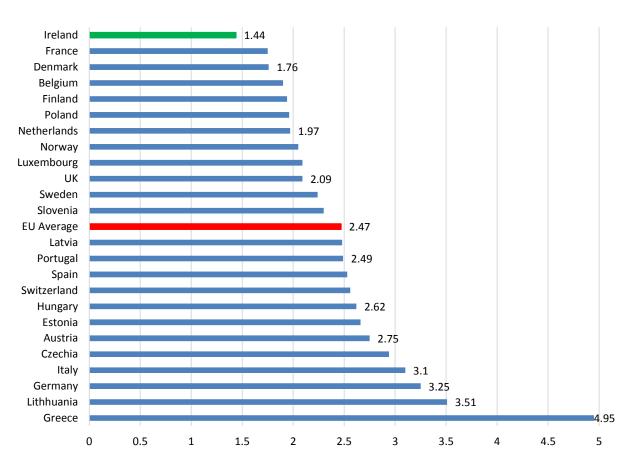
Source: NTPF (2013 - 2019)

- 567,200 in October
- ↑ 51,059 (9.9%) in 2019
- ↑ 189,709 (50%) in 5 years
- 500 Permanent hospital Consultant posts can't be filled



# **Consultant Vacancies and the Recruitment and Retention Crisis**

Specialist medical practitioners per 1,000 population in EU in 2018 (or nearest year)

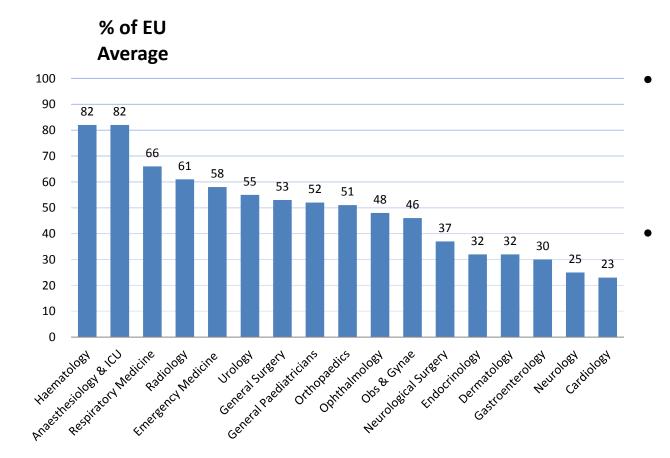


- 42%
   fewer
   medical
   specialists
   than EU
   average
- Over 500
   posts
   vacant or
   filled on a
   temporary
   basis

Source: Eurostat



# Specialist medical practitioners in Ireland per 100,000 population as a percentage of the EU average (2016 or nearest year)



1/<sub>4</sub> to 1/<sub>2</sub> in many specialties

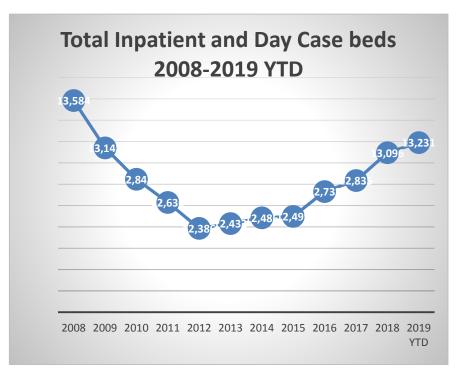
UCC at Connolly Hospital only open for <sup>1</sup>/<sub>3</sub> of planned hours

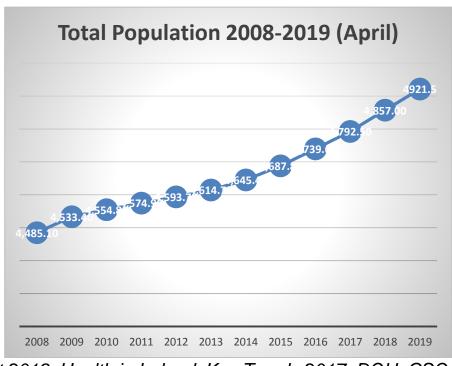
Source: Eurostat



# Increased Acute Hospital Capacity Requirements

Public Hospital Inpatient and Day Case Beds, and Population Growth 2008 to 2019





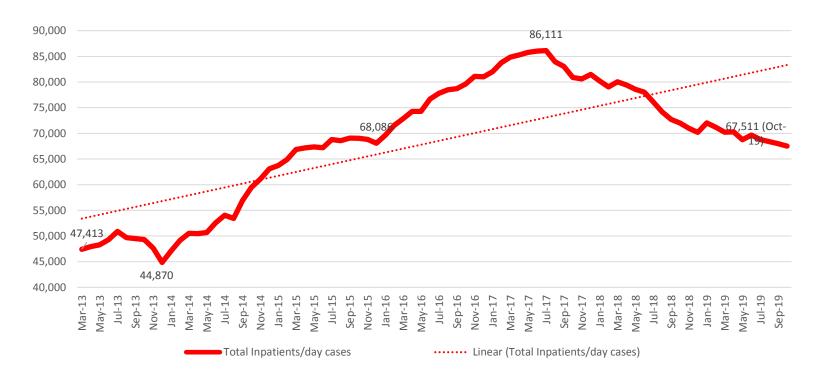
Source: Department of Health Open Beds Report Sept 2019; Health in Ireland: Key Trends 2017, DOH; CSO

- Population ↑ 9.7%
- Bed capacity ↓ 2.6%
- 12.3% increased deficit

22% ↑ (273,433) in inpatient and day cases performed



# Total Inpatient and Day Case Waiting List (March 2013-Oct 2019)



Source: NTPF (2013 - 2019)

† 24,089 (55%) in 7 years



# The Echo

Echo LIVE.ie

Friday November 29, 2019

Serving Cork since 1892



Edition No: 37,309 RRP: €1.60





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# You make the choice



**COLM BURKE:** 



MARTIN CONDON:

JOHN MAHER:



JAMES COUGHLAN: The Workers' Party



OLIVER MORAN



VOTERS in the Cork North Central constituency go to the polls today to elect a TD to replace Fianna Fáil's Billy Kelleher.

Housing, healthcare and proper northside representation have been the issues encountered by prospective TDs in recent weeks. Constituents have 12 candidates to choose from, with all the major parties contesting for the seat along with independents. The constituency started off as a five-scator when it was first-established in 18th but was respected with the constituency that the different parties of the properties of the p

represented since the beginning.

The constituency itself stretches from parts of Bishopstown, the city centre island up through inner-city areas out to the suburbs of Glannine, Blarney, Glounthaune, and Whitechurch and then into rural areas.

The Cork by election remained relatively un-touched by controversy until recently when ru-mours emerged that Cork North Central TD Dara Murphy (FG) is to resign before Christ

mas. While Fine Gael have refused to confirm this. a number of candidates are annoyed that he did not resign earlier to allow constituents to choose two new TDs instead of one today. ■ See Pages 2 and 3.





PÁDRAIG O'SULLIVAN:



SINÉAD HALPIN: Social Democrats





FIONA RYAN: **Solidarity Party** 



FINIAN TWOMEY:



THOMAS KIELY: Independent





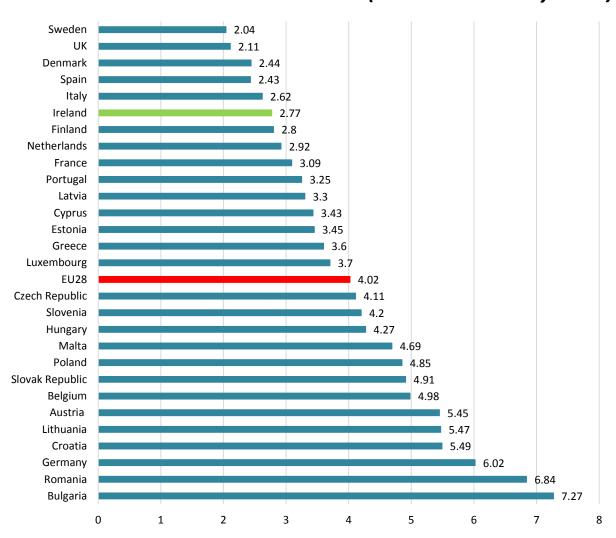
63,970 people are waiting for treatment in Cork hospitals

Let's fix it: ■ @IHCA\_IE

#CARECANTWAIT



# Hospital beds per 1,000 of population in EU, 2018 (or nearest year)

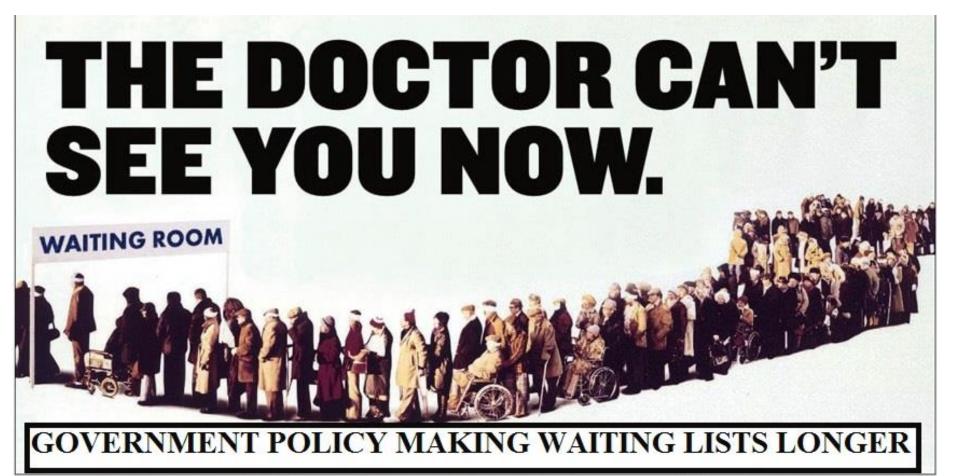


# Our hospital bed capacity:

- 31% below EU average
- Regular bed shortages
- Rationing care
- Delays

Source: OECD.Stat; Eurostat







#### TIME FOR OUR FAMOUS LETTERS TO Probe continues after

LATEST INCIDENT BRINGS MEMORIES FLOODING BACK OF TERRIBLE TRAGEDY AT DRINAGH EIGHTEEN YEARS AGO

#### By MARIA PEPPER

NEWS

tr's that time again wher boys and girls tell Santa what they would like for Christmas. We're here to

help! Email us your

Letters to Santa

and we'll publish them free of charge

in plenty of time for

Christmas Day... and

send them on to Santa in the North Pole. We'll also print a

picture of the child, if mum or dad want to include it in the email.

To have your child's letter and photo published in our 2019 Letters to Santa special, email the text of the letter, with your child's picture (if desired), to

santaletterswexford@peoplenews.ie

Note that if you are sending a picture with your email, it should be a jpeg attachment. We won't publish children's addresses(because Santa is very, very clever!), but please

Losers should arrive no later than Thursday, December 12, 2019. Data will be kept for 28 days after publication, for the purpose of publishing entries as which point a will be sourcely described Any personal information recorded will be used sciligly by self or the purpose of publishing lesers and photos and in accordance with applicable Data Proximen personal publishing lesers and photos and in accordance with applicable Data Proximen

agictation. By submitting Sarra letters, you are agreeing to these Terms and Conditions no consent to your personal data being managed in accordance with our Privacy Policy

indicate the general area, village or town where you live.

The Wexford-based driver of the articulated lorry in which 16 Kurdish males from Iraq and Iran were discovered on board the Stena Horizen ferry en route to Rosslare Harbour from Prance last Thursday was back in work on Saturday, on another European run. The lorry cab was released by

gardai on Friday night although the tractor unit was withheld for further forensic examination, as part of a continuing ation into the inciden which Wexford Superir Jim Dovle described as 'very traumatic' for those involved

At a press conference in the nal building in Rosslare boss said the driver and the 20 days travelling to Cherbourg people from Turkey including Wexford company which owns and then up to 12 hours in four children, were found dead the truck were co-operating the sealed truck which was from a lack of oxygen in the fully with the authorities.

board the ferry from Cherbourg, manufactures medicines. a lorry in Essex, UK.
On this occasion, the men





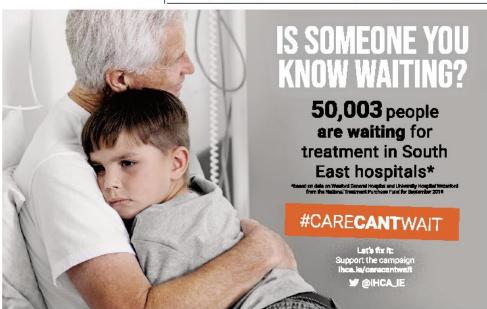
News of the discovery on a pharmaceutical factory that ed a consignment of furniture oard the ferry from Cherbourg, manufactures medicines.

bodies of 39 Vietnamese people this could so easily have been those who died stands in the were discovered in the back of another migrant tragedy on business park.

juvenile, were lucky to be found at Drinagh Business Park on imately 3.30 p.m. on Thursday on Thursday night, the Garda alive, after reportedly spending December 8, 2001 when eight when the press office at Garda headquarters in Dublin said: 'An Garda Síochána at Wexford Garda Station are currently carrying chemicals bound for back of a lorry which transport- investigating potential breaches of immigration legislation which may have occurred on board interenty from Cherbourg, manufactures medicines.

There was widespread public in Thursday last and was mee with relief that the hidden passendard a fearful sense of deja vu, comgress were okay but it was mixed in ga si did just weeks after the with the awful feeling that rior of the unit. A memorial to approximately 2-40 p.m.!

At approximately 9.45 a.m. today, the captain of the ferry The first official Garda state- alerted gardai that a number a lorry in Essex, UK. Wexford's doorssep. The first official Garda state-min soccasion, the men lettlist scene that unfolded discovery was made as approx in the trailer of an articulated





# **Consultant Vacancies and the Recruitment and Retention Crisis**

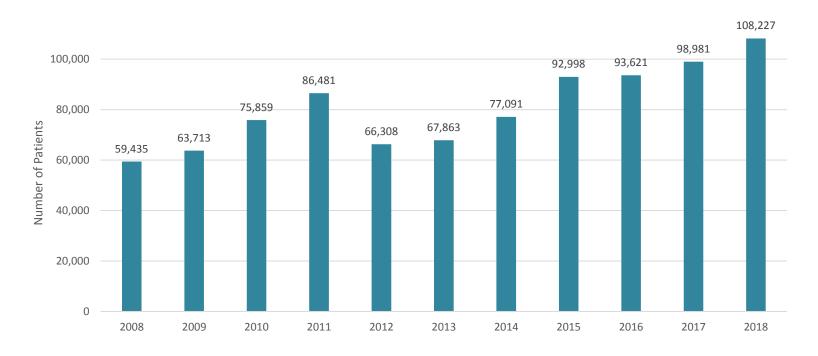
- Over 500 Vacancies + 108 non-specialists in Consultant posts since 2008
- "Jeopardising patient safety" Justice Peter Kelly
- Medical agency spend 2012-2018 ↑€57m p.a.
- Agency Consultant costs up to three times New Entrant Permanent Consultant Cost
- New Entrant salary is up to 51% below colleagues
- Failed to fill 38% of posts advertised 2015-2017
- Not competitive salaries in Australia, Canada and US up to 48% above non-new entrant salary
- Annual Medical Indemnity costs quadrupled between 2013-2018. Increase of €184 million







# Number of patients treated on trolleys annually (2008 – 2018)



Source: INMO Trolley Ward/Watch

- 108,000 admitted patients treated on trolleys in 2018
- Nearly double 'national emergency' level of a decade earlier



### Trolley Analysis January/July 2008-January/July 2019

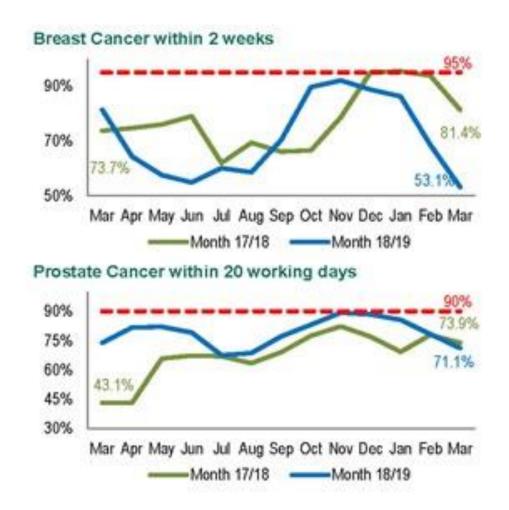


Source: INMO Trolley Ward/Watch

- Year round problem
- July 2019 (9,439) a record for the month ↑ 33% on July '18
- August 2019 (9,562) highest ever for the month ↑ 10% Aug '18
- September 2019 (10,641) worst Sept on record ↑ 36% Sept '18
- Oct 2019 (11,452) worst Oct and 2<sup>nd</sup> worst month ever ↑ 26% Oct '18



# Delays in Accessing Treatment resulting in missed Cancer KPI targets



- Symptomatic
   Breast Disease
   Clinics 44% <</p>
   target
- Rapid Access
   Clinics for Prostate
   Cancer patients
   21% < target</li>



# **Media Coverage**

### Waiting lists blamed on 'brain drain' of doctors

Campaign aims to force Government to fill 500 vacant consultant roles "One of the most impac PAUL CULLEN sis, as 700 specialists have left largest numbers of patients the Irish health services for waiting to see a consultant, acand immediate of these is e IHCA: Consultants' duties unmanageable



News 9

National Children's Hospital board is worried about shortage of consultants



The Sunday Business Post June 17, 2018

Consultants in 'care can't wait' drive

'Irrefutable evidence' root causes of delays is unfilled posts

▲ By Valerie Ryan ② 22nd May 2019

Fianna Fáil's Michael McGrath wants pay hike for hospital consultants

Failure to fill consultant posts root cause of unacceptable delays and

growing waiting lists

Public hospital system 'on fire' over

Salary talks will have to include issue of private practice in public hospitals, Dáil hears consultant shortages

<sub>© Wed, May 15, 2019, 1</sub>Hospital consultants 'seriously considering' resigning over two-tier pay

IHCA says system of consultants delivering services in public hospitals 'on a cliff edge'

#### Solving consultant crisis key to improving health service



# **IHCA: Patient care in decline**

New consultants

to earn €42k less

than colleagues

 Consultants employed before 2012 will earn up to €200k in new deal that excludes newer recruits Settlement reached last week will add C62m to

C128,000 to C168,000 early entrants "were just not com-



the consultants' pay bill annually

BY SUSAN MITCHELL

SHOWBIZ TV & FILM LIF

**NEWS** 

Lack of qualified consultants having damaging impact on patient care at Irish hospitals, report claims

Experts claimed an excessive workload and unfilled job vacancies for consultants is failing patients

Dr Gabrielle Colleran outlines the negative impact the consultant recruitment and retention crisis is having across the healthcare system



### de Buitléir Report Terms of Reference

"The Review Group will examine and enquire into the effects of the removal of private activity from public hospitals and will specifically examine potential benefits and potential adverse consequences, including any unintended consequences that may arise, in the removal.

In particular the group will examine and consider...

• possible impacts, both direct and indirect, immediate and over time, of removing private practice from public hospitals, including but not limited to impacts on: access; hospital activity (including specialist services); funding; recruitment and retention of personnel; and any legal or legislative issues that might arise."



### Sláintecare and the de Buitléir Report



- €20bn to implement Sláintecare in first decade (€28bn thereafter)
- Confirms need for more Consultants and beds
- Removing private care from public hospitals to cost €6.5bn over 10 years (€8bn thereafter)
- In reality loss in private health insurance income will not be replaced
- Exacerbate Consultant recruitment and retention crisis & hospital capacity deficits
- Ideology v Pragmatism



### **Real World Challenges on Hospital Frontline**

- Hospitals crumbling after a decade of cuts (€1.88bn health capital cuts 2009-2019)
- Health capital budget in 2019 €667m, including
   €325m for acute hospitals
- Delays in bed capacity 

   by 2,600 beds before 2027
- Rationing of care, growing waiting lists, and trolley crisis
- Nearly 50% population with PHI: Capacity & Delays



### **Real World Challenges on Hospital Frontline**

 Need separate additional funding for National Children's Hospital (€2Bn vs €0.63Bn estimate)



- National Children's Hospital Cost Overrun:
  - €100m in 2019(€25m from HSE)
- Ongoing problem
- Cost of Relocation of 3 Dublin Maternity Hospitals



#### **Real Strategic & Hospital Needs**



- Fill all approved Consultant posts on a permanent basis
- ↑ Frontline capacity to treat people awaiting outpatient appointments, and inpatient and day case elective procedures
- ↑ Public acute hospital bed capacity
- ↑ Funding to address capacity deficits
- Meet KPI targets for cancer care, surgical procedures and key aspects of patient care



# **Solutions to Frontline Problems**

- Resolve public hospital access crisis
- Insufficient public hospital capacity
  - Record waiting lists
  - Record numbers on trolleys
- All patients in public hospitals are public hospital patients who need care without current delays

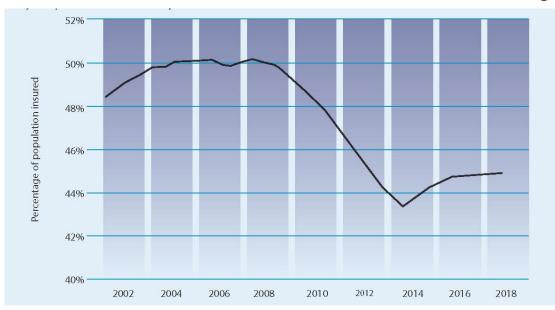


### Sláintecare & de Buitléir Reports

- Unintended consequences
- Loss of €6.5Bn PHI per decade
- Won't be replaced
- Substantial other investment and operating costs
- Already lagging behind NDP 2,600 hospital bed timetable
- Counter productive Prolonging Access Crisis



# Sláintecare & de Buitléir Reports



- 2.22m (45%) PHI members
- Increased by 64,000 (3%) since May 2017
- Market segmentation
- 10% PHI members with Public Hospital cover only

- 50:50 reliance Public & Private Hospital care
- Little or no capacity freed up in Public Hospitals



#### Removal PHI Income

- Capacity expansion delayed
- Unprecedented Consultant Recruitment & Retention Crisis
  - Type A tried 2008 & 2011 and failed
  - Current Pay Inequality: 500+ vacancies
  - Increased exodus & greater recruitment problems
  - Deterioration in public hospital care



#### **Conclusions**

- A strategy or plan which is based on ideology over pragmatism and focuses on the symptoms rather than the root cause problems is damaging and deflects from addressing the real problems.
- Capacity deficits need to be addressed.
- Let's focus on fixing the real problems.



# **Thank You**

# Support the IHCA campaign at:

