

# **The Society of Actuaries in Ireland**

## **News Release**

### **Increased Primary Care Key to Better Healthcare**

Developing community health centres with enhanced GP, nursing and general health services was emphasised as a key strategy for making the Irish healthcare system more efficient and cost effective at a Society of Actuaries seminar today.

International healthcare system expert, Dr. Bradford Kirkman-Liff said that the Government's health strategy, due to be launched next month, should invest in primary care facilities and in turn integrate these fully with the existing acute hospital services.

Addressing the seminar called *Towards a Better Healthcare System*, Dr. Kirkman-Liff, who is Professor of the School of Health Administration and Policy at Arizona State University, said this trend was being followed in many of the better health systems in the world — such as the Netherlands, Denmark and the UK.

"There has not been sufficient investment in primary care in Ireland and I would urge those formulating health policy to look at this very closely. International models show that over time investment in primary care, and in targeted preventative health programmes, reduces costs and makes a healthcare system more efficient and consumer friendly," he said.

Professor Kirkman-Liff also encouraged reform of healthcare financing in Ireland, which has the highest number of people paying private health insurance of any public hospital system in the world. Based on an international analysis of other countries, he suggested two best options. Firstly, greatly expand public health services (enhance primary care in particular) and finance this through direct and indirect taxation, as in Denmark.

The alternative is to introduce compulsory health insurance and use a mix of State co-financed and fee-for-service payments, adjusting patients' level of co-payment according to their income and rewarding doctors for high-quality effective care. This more private sector based model is used in the Netherlands and Germany.

### **Compulsory Health Insurance Unlikely**

Commenting on the pros and cons of compulsory health insurance, the Director of the Centre for Health Economics at UCD, Mr. Joe Durkan said that "the fundamental difference between those who have insurance and those who rely on entitlements is that those with insurance are buying a service, whereas those with entitlements are given services.

One is market driven, while bureaucracy drives the other. The market system provides people with services they want, while the bureaucratic system gives people what others want."

In his concluding remarks Mr. Durkan said that a comprehensive compulsory health insurance scheme was unlikely because it would involve fundamental changes in the structure of health services, in the relationship of these services to patients, and in the role of government. "Change is more likely to be gradual and a modest change would be the extension of existing health private insurance system to the population at large covering elective treatment."

The seminar was Chaired by former Taoiseach Dr. Garret FitzGerald and also addressed by the Labour Party spokesperson for Health, Deputy Liz McManus, and Siobhán Kennan of the Department of Health and Children.

The newly inaugurated President of the Society of Actuaries, Eamonn Heffernan said Actuaries have an important role to play in the healthcare debate ensuring that the system serves the best interests of consumers.

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### **Further Information**

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(Photographs available, please contact Ronan Cavanagh.)

### ***Society of Actuaries in Ireland***

The Society of Actuaries in Ireland is the professional body for actuaries practising in Ireland, many of whom work in the pensions and life assurance industries. The Society aims to develop the role and understanding of the actuarial profession and to enhance its reputation, in particular for serving the public interest.