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Our Experiment with Nationalising the Hospital System: What have we Learned?

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Context – Irish Hospital System

- Mixture of public and private funding and delivery
  - With complex overlaps
- Mercille (2018) noted that, as at 2015, there were
  - 50 acute public hospitals, providing 12,476 beds
  - 18 private hospitals, providing 2,506 beds
- Keegan et al (2019) estimated that, in 2015, public hospitals accounted for 85% of inpatient bed days and 69% of day patient care
- OECD (2021) shows that, in 2019, Ireland had 2.9 beds per 1,000 population, compared with an OECD average of 4.4, and the second highest occupancy rate, at 90.7%, compared with an OECD average of 76.2%

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Context – Irish Hospital System

- Private patients treated in public hospitals
  - 9% of those with PHI have mainly-public plans
  - Health insurers paid 21% of claims to public hospitals in 2020
  - Private patients represented 12.9% of discharges from public hospitals in 2020 (13.6% IP vs. 12.5% DC)
  - Current consultant contracts
  - Incentives for public hospitals to treat private patients
  - Emergency vs. elective admissions
  - State subsidisation of PHI

- Public patients treated in private hospitals
  - Via NTPF

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Context – Irish Hospital System

- Lengthy public waiting lists in Ireland
  - December 2021 figures from NTPF show
    - 75,463 people on active inpatient/day case list, of whom 16,886 (22%) were waiting 12 months +
    - 617,448 people on outpatient list, of whom 229,258 (37%) were waiting 12 months +
- Murphy et al (2020) found higher likelihood of hospital stays among those aged over 65, economically inactive, with chronic illness, and with PHI (with or without a medical/GP Visit card), and higher likelihood of private hospital stays among those aged 25-64 and those with PHI (with or without a medical/GP Visit card)

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Context – Sláintecare

- Overall goal of establishing “a universal single-tier service where patients are treated on the basis of health need rather than on ability to pay”
- Goal of reducing emphasis on hospital care
- Removal of private practice from public hospitals
  - Starting in Year 2
  - Estimated cost of €649m per annum from Year 6
- Additional capacity of 2,590 acute hospital beds

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Temporary Agreement 2020

- Resulted from concerns over the ability of the public hospital system to cope with the pandemic
- Ran for 3 months from 30th March, with an option to extend (not taken up)
- Cost the State over €300m
- Patients could be transferred from public hospitals or be admitted directly (as public patients)
- No private patients allowed to be admitted
  - Continuity of care for existing inpatients or existing patients needing treatment was provided for

Temporary Agreement – Issues

- Costly considering volume of work carried out
  - Cancellation of non-essential healthcare, as recommended by NPHET, during lifetime of agreement
- Private capacity was under-utilised
- Only a little over half of private consultants (291/550) signed up
  - Concerns over continuity of care and access to outpatient rooms
  - Were not party to the negotiations (government and private hospital owners)
- Insurers reimbursed members for inability to access private hospitals for the duration of the agreement (€415m)

Temporary Agreement – Learnings

- More flexibility
- More targeted
- Include consultants
- Address waiting lists (via NTPF)

Could we Nationalise?

- Sláintecare does not envisage this
- Long-term nationalisation would lead to discontinuation of private health insurance
- Capacity
- Affordability
- Private consultants

Looking to the Future

- Public and private likely to continue
- Separation or cooperation?
- Capacity – both public and private
- Demand
- Sláintecare?

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QUESTIONS

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