

Briefing for SG on Universal Health Insurance for PAC 19 November 2015

In April 2014, Government committed to publication of the White Paper on UHI, which envisaged a multi-insurer system. Government resolved that the proposal be costed, and presented to Government for approval before drafting legislation to give effect to the White Paper. DoH commissioned ESRI to do this costing.

The ESRI published a report today (18 November) which finds:

- The White Paper model of UHI would increase overall Irish healthcare expenditure by up to 11 per cent;
- These findings are in keeping with the international literature reviewed in this study, which suggests that health systems based on multiple, competing insurers are cost-inflationary.

These findings are broadly consistent with the DPER analysis delivered when the White Paper was considered by Government in April 2014, and illustrate the benefit of concluding a full costing of the proposed policy (as requested by MPER) before commencing a path to implementation.

Present position

MoH informed the Government on 17 November, based on the ESRI reports, that the multi-payer model is unlikely to deliver the required value and choice. He proposes a further round of research to identify "the optimal means to achieve universal healthcare". MoH also announced that a number of health reform actions will continue, including:

- enhanced primary and social care, such as the widening of access to free GP care
- replacing HSE with Hospital Groups, and other new structures;
- financial reforms including activity based funding ("money follows the patient");
- Healthy Ireland and the public health and patient safety agendas.

DPER Views

DPER advice to MPER is that DoH should now develop a comprehensive analysis and feasible alternative actions for health reform, for presentation to Government for Decision. This should include:

1. Consideration of the level and range of healthcare resources that the State requires,
2. Consideration of the various ways each of these might be delivered, (e.g. direct provision of services by HSE/State, outsourcing, support for private medicine and any other feasible models)
3. An outline of how such strategies would then be implemented and merged into the existing health services and where the current inefficiencies would be eliminated or at least reduced.