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Mr Ronan Murphy
Clerk to the Committee on the Future of Health Care
Leinster House
Kildare St
Dublin 2

By email healthcare@oireachtas.ie

Friday 26th August 2016

Dear Mr Murphy

I enclose a submission on behalf of the Private Hospitals Association – representing 19 private hospitals delivering acute and mental health care across Ireland.

I would be grateful if you could circulate our submission to the members of the Committee. I would also like to take this opportunity to state that we would welcome an opportunity to meet with the Committee so as to discuss our submission and also matters related to the safe, effective, value for money delivery of hospital care that may arise in submissions from other stakeholders.

Yours sincerely

Simon Nugent
Chief Executive



SUBMISSION TO THE OIREACTHAS COMMITTEE ON HEALTHCARE AUGUST 2016

Executive Summary

The Private Hospitals Association (PHA) represents 19 hospitals across Ireland that deliver a significant amount of acute, medical and mental health care to patients every year.

We welcome the opportunity to contribute to the Committee's deliberations and to brief members on the extent of the work done in private hospitals which considerably reduces pressure on the public system. Our modern and technologically advanced hospitals will continue to make a significant contribution to care in Ireland into the future and we look forward to discussing with the Committee, how this contribution can be most effective.

We commend the principle underlying the Committee's establishment – long term certainty on health policy will enable all health care providers, including private hospitals, to deliver high quality health care effectively and will facilitate appropriate investment in a timely manner. We would underline that the Committee's most important contribution would be to provide a high level strategic vision for the future.

In our submission we take the opportunity to outline the extent to which treatment in Ireland is provided in our members' facilities. Future planning for the system should take account of the extent of our network and the expertise and innovation which it brings to the overall health mix in Ireland.

In our submission we also highlight key enablers for an effective health care system which we would encourage the Committee to emphasise – notably the integration of enhanced primary care with the hospital system, the supply of skilled medical personnel and investment in eHealth.

When considering the necessary steps to progress towards the Committee's ten-year vision, this submission draws members' attention to our recently published proposals to Government on improving patient care by fostering closer collaboration between the public and private systems.

We note that work on future funding mechanisms is ongoing and we look forward to contributing to this aspect of the debate once options and proposals are developed.

We would welcome an opportunity to meet with the Committee in the coming months as it's deliberations develop.

Summary of Recommendations

The Private Hospitals Association recommends that the Committee:

1. Acknowledges the mixed nature of health care provision in Ireland and the significant proportion of care delivered by private hospitals;
2. Offers a strategic vision of healthcare in Ireland in 10 years' time that recognises the benefits of this mixed delivery system and provides a stable environment for investment in the sector;
3. Focuses on how, as primary care services develop, they can integrate successfully with all providers of hospital care;
4. Places due emphasis on the issues of health sector recruitment and the need for sustained focus on attracting nurses, doctors and other clinical specialists to work in Ireland by establishing an *Expert Skills Group on the Medical Professions*;
5. Supports the importance of investment in eHealth initiatives as an important enabler of truly joined up healthcare;
6. Supports closer cooperation on patient care between public and private systems during the transition period between now and 2026.

The Contribution made by Private Hospitals in Ireland.

Thirty percent of Ireland's 70 hospitals are in private ownership. These hospitals, spread across the country, provide a range of acute medical and mental health services. Private Hospitals Association (PHA) members delivered a wide range of care to Irish patients during 2015 including more than **250,000 in-patient procedures, 3 million diagnostic tests, over one million bed nights to patients, and 10% of inpatient mental health care.**

The Committee may wish to note, in particular, our capacity to deliver elective care – we estimate that **50% of all elective procedures in Ireland last year were performed in our members' hospitals.** On average patients are discharged from our acute hospitals 4 days after admission. In addition, half of our hospitals operate **Emergency Departments and or Medical Assessment Units which in total see more than one thousand patients each week, admitting at least 250 of these patients, thus providing an estimated 100,000 bed nights of medical care to patients admitted on an emergency basis each year.**

Private hospitals mainly treat patients with health insurance but also provide care to self-paying patients and, when requested, provide care to patients referred by the public health system. On occasion such arrangements are made centrally by the National Treatment Purchase Fund or the HSE's Special Delivery Unit. On other occasions individual public hospitals or hospital groups contract with private hospitals to address particular backlogs in patient treatment. The treatment we provide under such arrangement is delivered at a rate that is comparable to costings in the public system.

While our hospitals are consistently busy, we have demonstrated the flexibility to provide care to additional patients referred from the public system - particularly when this is planned in advance.

Private hospitals in Ireland provide 2,500 beds for patients which is a very significant addition to the stock of acute beds in public hospitals. PHA members, which are a mix of not for profit trusts and privately owned businesses, continually invest in the expansion and upgrading of our facilities and in new medical technologies so as to ensure that we provide advanced health care in a suitable environment.

All our hospitals are accredited by an internationally recognised accreditation body such as Joint Commission International (JCI) and are committed to delivering on recognised standards including HIQA's Standards for Better Safer Healthcare. Our hospitals providing mental health services are approved by the Mental Health Commission. We have long argued that a single quality regulatory regime should apply to all Irish hospitals and welcome the forthcoming HIPS legislation which will bring this into effect.

The merits of a long term strategic view on healthcare in Ireland

The PHA is very supportive of the Committee's ambition to set out a 10 year vision for Irish health care and to achieve cross party consensus on the future direction. Consistency of Government policy is of great importance to businesses in a sector such as health – where capital investments tend to be very large and take a long time to be paid back. The clearer the trajectory of health care, the easier it is for providers (public or private) to develop plans, secure Board and investor approval and negotiate affordable financing so as to deliver the right facilities for patients. A stop-start approach to healthcare policy ultimately increases the costs of treatment for all patients as well as compounding delays and risking some patients not being treated at all.

Below we identify some areas where we believe the Committee should agree a direction at a strategic level so as to enable policy makers, agencies and service deliverers (such as PHA members) to plan effectively.

A combined focus on primary care and integrated care.

The PHA supports the broad consensus that the Irish health service should place greater emphasis on primary care in the coming years. Integration of an enhanced primary care system with the hospital sector will be an important part of that design – the extent to which primary care centres will be able to commission treatment, the role of hospitals in providing

diagnostic services, the role of primary care system in treating patients after discharge from hospital etc. This design should have regard to integration with private as well as public hospitals.

A focus on the health care workforce.

The fact that Ireland's population is ageing faster than that of any other developed country will compound the health sector work force problem which is a global dilemma. For at least the next ten years Ireland will need sustained national focus on nursing education, recruitment and retention as demand for this profession which is already tight should be expected to increase dramatically. We must similarly recognise that the market for medical consultants is global and ensure that Ireland is an attractive place for highly skilled specialist physicians to practice. This focus will also be required on allied health professions.

We believe the Committee should recommend the establishment of an *Expert Skills Group on the Medical Professions* involving public and private employers as well as the relevant colleges, universities, professional regulators and other stakeholders to be charged with developing a ten year plan for a healthcare workforce.

A focus on eHealth

Ireland has lagged behind other developed countries in the implementation of eHealth initiatives which has at least provided the benefit of learning from the mistakes of others. At this point, however, it is time for us to crystallise a vision of how ICT can serve our healthcare system and to invest in that vision. The PHA welcomes the planning work being undertaken by EHealth Ireland and looks forward to the rollout of Electronic Health Records and other tools that facilitate better patient care through greatly improved sharing by different stakeholders in healthcare – public and private.

Interim Steps when working towards 2026

The PHA recommends a specific focus on the potential for closer co-operation between the public and private systems so as to make best use of existing infrastructure and resources in patients' interest over the next few years while developing a long term plan. In April of this year the Association published a paper¹ setting out six proposals for action by Government to improve patient outcomes by maximising synergy between the two systems in Ireland. These were to:

1. *Design a joint public and private sector initiative to tackle waiting lists for both inpatient and outpatient treatments including a focus on diagnostics;*
2. *Move patients more quickly through Emergency Departments by using all available beds in both the public and private sectors;*

¹ <http://privatehospitals.ie/pha-publish-six-proposals-ease-pressure-health-service/>

3. *Address the gaps delaying patient treatment by launching a coordinated approach to attracting consultants and other health professionals to work in Ireland;*
4. *Introduce a new competitive system for commissioning hospital care by 2018;*
5. *Coordinate planned investment in medical facilities and equipment to avoid duplication, get value and create efficiencies;*
6. *Establish a task force to boost co-operation between public and private healthcare systems.*

We would commend these steps to the Committee as an important part of any transition strategy towards its long term vision for healthcare.

Future financing of health care.

We note the particular focus of the Committee's consultation on design of funding for a future model of health care. However, we also note in the 2016 Programme for Partnership Government that further to the project undertaken during the last government on the costs of introduction of universal healthcare, work is being conducted on the costs of various models and that the Government proposes to ask the Oireachtas Committee on Health to conduct "hearings on how best to move forward on the outcomes of the work".

We look forward to contributing to that aspect of the debate in due course and at this initial stage would simply point out that, currently, insurance premiums contribute circa €2.5bn to Irish health care each year and this money is mainly devoted to treatment of patients in hospitals – private and public. These additional voluntary contributions by Irish taxpayers serve to relieve a significant portion of the burden on the exchequer. Given that about two thirds of insured patients' treatment is provided in private hospitals, this also significantly relieves the burden on the public hospital system.

Ends

Appendix - Hospitals Represented by the Private Hospitals Association

- [Aut Even Hospital](#)
- [Barrington's Hospital](#)
- [Beacon Hospital](#)
- [Blackrock Clinic](#)
- [Bon Secours Hospital Cork](#)
- [Bon Secours Hospital Dublin](#)
- [Bon Secours Hospital Galway](#)
- [Bon Secours Hospital Tralee](#)
- [Clane General Hospital](#)
- [Galway Clinic](#)
- [Hermitage Clinic](#)
- [Highfield Hospital](#)
- [Kingsbridge Hospital Sligo](#)
- [Mater Private Hospital Dublin](#)
- [Mater Private Hospital Cork](#)
- [Sports Surgery Clinic](#)
- [St John of God Hospital](#)
- [St Vincent's Private Hospital](#)
- [Whitfield Clinic](#)