Committee on Health

Public Session, October 23rd, 2019

Opening remarks from ESRI Health researcher:

Dr. Conor Keegan, Research Officer

Introduction

Firstly, I would like to thank the Committee for this opportunity to present on our research. My name is Dr. Conor Keegan and I am here in my capacity as a Research Officer at the ESRI. I am an economist by training and have a PhD in the area of Health Economics. I am the lead author of the ESRI working paper *An examination of activity in public and private hospitals in Ireland, 2015* which was published last October and which the joint Committee on Health have invited me to discuss.

The analysis was undertaken as part of the ESRI/Department of Health Research Programme in Healthcare Reform, which has the broader objective of projecting demand for, and expenditure on, healthcare services in Ireland. This working paper was prepared in light of the Independent Review Group's work examining the implications of the Sláintecare proposal to remove private practice from public hospitals. While the ESRI did not provide any direct input to the deliberations of the Review Group, the working paper was subsequently cited as part of the Review Group's final published report in August 2019.

This ESRI working paper examines the extent of private activity in public hospitals and provides an overview of service delivery across public and private hospitals in Ireland in 2015. The analysis expands on research undertaken, and findings presented, as part of the ESRI Research Series Report *Projections of Demand for Healthcare in Ireland, 2015 to 2030: First Report from the HIPPOCRATES Model* published in October 2017.

The report contained new analysis of private hospital activity, which had not previously been published for the Irish healthcare system. This working paper expands on that analysis by examining the extent to which care in public hospitals was delivered on a public or private basis.

Findings

In 2015 nearly 1.5 million day patients, those admitted and discharged on the same day for elective (that is, scheduled) treatment; and nearly 4.2 million in-patient bed days, relating to either elective or emergency care, were recorded across public and private hospitals in Ireland.

The public hospital system delivered for the majority of this care. In 2015, approximately 7 out of 10 day patient cases, and over 8 out of 10 in-patient bed days were estimated to have taken place in public hospitals. Sixteen percent of cases in public hospitals were treated privately.

Looking at private care across the hospital system, over 75 per cent of all private day patient activity was recorded in private hospitals. In contrast, we estimate that less than half of all private in-patient bed days were recorded in private hospitals. These findings suggest that the private hospital system has primarily specialised in the delivery of elective care, with all day patient care being elective by definition.

In considering the removal of private care from public hospitals, it is important to note that most private in-patient activity in public hospitals are emergency in-patients arriving through the hospital emergency departments. Elective private in-patient activity accounted for less than 4 per cent of total in-patient bed days in public hospitals in 2015.

It is unclear, therefore, whether the types of private emergency in-patients currently treated in public hospitals could access the care they require in private hospitals. Traditionally, private hospitals have not provided many of the more urgent and complex treatments, associated with emergency care, that are available in public hospitals.

Data challenges

Data on public and private activity in public hospitals were available from the Hospital Inpatient Enquiry (HIPE) scheme managed by the Healthcare Pricing Office. HIPE collects detailed clinical and administrative data on discharges from, and deaths in, acute public hospitals nationally. However, we did not have access to comparable routinely collected administrative data on private hospital activity. To try to fill this gap, private hospital activity profiles were estimated using aggregate information on health insurance claims provided by the health insurance market regulator – the Health Insurance Authority. We would have liked to extend the analysis further, for example to compare public and private hospital activity at the level of diagnoses and procedures or to compare the roles of the two

types of hospitals with respect to elective and emergency in-patient care. Data limitations meant this depth of analysis was not possible. The absence of good quality data creates difficulties for both researchers and policymakers to inform important policy proposals, such as the one being discussed here this morning, with evidence.

The full working paper has been circulated to the Committee and is available on the ESRI website: https://www.esri.ie/system/files/media/file-uploads/2018-10/WP601.pdf