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From universal health insurance to universal healthcare? The shifting health policy landscape in Ireland since the economic crisis☆

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ABSTRACT

Ireland experienced one of the most severe economic crises of any OECD country. In 2011, a new government came to power amidst unprecedented health budget cuts.

Despite a retrenchment in the ability of health resources to meet growing need, the government promised a universal, single-tiered health system, with access based solely on medical need. Key to this was introducing universal free GP care by 2015 and Universal Health Insurance from 2016 onwards.

Delays in delivering universal access and a new health minister in 2014 resulted in a shift in language from 'universal health insurance' to 'universal healthcare'. During 2014 and 2015, there was an absence of clarity on what government meant by universal healthcare and divergence in policy measures from their initial intent of universalism.

Despite the rhetoric of universal healthcare, years of austerity resulted in poorer access to essential healthcare and little extension of population coverage. The Irish health system is at a critical juncture in 2015, veering between a potential path to universal healthcare and a system, overwhelmed by years of austerity, which maintains the status quo.

This papers assesses the gap between policy intent and practice and the difficulties in implementing major health system reform especially while emerging from an economic crisis.

1. Introduction

This paper traces the evolution of universalism in Irish health policy in recent years in order to assess the gap between policy intent and practice. Ireland has never had a system of universal health coverage universal health coverage as defined by the World Health Organization (WHO):

> a situation where all people who need health services (prevention, promotion, treatment, rehabilitation, and palliative) receive them, without undue financial hardship [1].

Universal health coverage consists of three dimensions:

i) Breadth: coverage for the entire population.
ii) Scope: coverage of the full spectrum of quality health services according to need; and

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iii) Depth: coverage of the full costs of health services (no user charges) [1].

In March 2011, a new government was elected in Ireland soon after the country had entered an international bail-out. The two parties that formed the coalition government in 2011, campaigned for power on a platform of introducing:

> a universal single-tiered health service, which guarantees access based on need, not income... through Universal Health Insurance. Universal Primary Care will remove fees for GP care and will be introduced within the government's first term in office.' [2].

This was the first time in Irish history, when a government committed to end the two-tier system of access to healthcare, which gives preferential access to hospital care to those who have private health insurance [3]. In Ireland, 'two-tier' refers to the fact that people who can pay privately or have private health insurance (PHI) can get a diagnosis quicker and can secure faster hospital treatment, even in public hospitals, because they can afford the monthly premiums [4]. About 45% of the population have PHI but it contributes only about 9% of all health spending [5]. Those who cannot afford private health insurance must often face long waiting lists [6]. Details of the complicated nature of coverage in the Irish health care system are explained in Fig. 1.

About two fifths (37%) of the population have medical cards under the General Medical Services (GMS) scheme, which are means tested and allocated on the basis of low income. These cards enable poorer people to access GP and hospital care without charge and medicines at a low cost. In addition, a GP visit (GPV) card is available, which entitles those without GMS but still on low incomes or at certain age to GP visits without charge. The rest of the population have to pay on average €52.50 for each GP visit and up to €144 a month for prescription drugs [7]. They also pay €100 for presenting at an Emergency Department without a GP referral and €75 per day for public hospital treatment, capped at €750 per year [7].

A recent analysis of the Irish health system found

> Ireland is the only EU health system that does not offer universal coverage for primary care... Ireland is an extreme outlier among EU countries when it comes to user charges... A recent assessment of coverage... found that gaps in population and cost coverage distinguished Ireland from other European countries [8].

2. Tracing universalism in the Irish health policy process 2011–2015

The 2011 coalition government was elected with a significant majority, however its popularity declined as it had to continue to implement austerity measures introduced under the 2010 troika bail-out. This included cuts to health [6]. Until 2011, there was a distinct absence of any intent of universalism in Irish health policy with only a minimal focus even on equity. Key policy moments are detailed in Table 1.

The predominant influence on health policy choices from 2009 to 2014 was the prolonged austerity leading to continuous cuts to staff and budgets alongside an increasing demand for care [6]. In the midst of this, the 2011 Programme for Government committed to a single-tiered health service through universal GP care and universal health insurance (UHI) [2].

Future Health, published in 2012, was the government's 'roadmap to reform' for implementing the Programme for Government [9]. It reinforced the above commitments, with 'major healthcare reforms that will be introduced by 2015, prior to the launch of Universal Health Insurance in 2016' [9].

'The Path to Universal Healthcare – The White Paper on Universal Health Insurance', the legislative basis for the introduction of UHI – was published in April 2014 [10]. It proposed a 'multi-payer' model of compulsory private health insurance, with for-profit insurance companies operating in competition and delayed its implementation until 2019. However, the new system was also to be a hybrid model as an unspecified amount of health care was to remain tax-funded [10]. The promise of universal free GP care and UHI which would deliver universal access to hospital care demonstrated the intent and ambition of universalism.

In May 2014, the government parties lost many seats in local and European elections and the loss of GMS medical cards related to improved economic conditions and tighter eligibility rules was cited as the strongest reason for this [11]. Two months after these poor election results, a cabinet reshuffle resulted in a new health minister, Leo Varadkar. Speaking on the issue of medical cards in October 2014, Minister Varadkar said

> the more that I have studied the issue of eligibility for medical cards, the more I have become convinced that the only solution is universal healthcare. No matter what means-test you apply, whether financial or medical, there will always be anomalies and there will always be people just above the threshold [12].

In January 2015 Minister Varadkar, published his list of 85 priorities, which clearly indicate that the UHI policy is delayed and possibly abandoned [15]. Included under the banner of Universal Healthcare (UHC) were:

- Make the first concrete steps to universal healthcare by extending GP services without fees to the under-6s and over-70s.
- Complete the initial costing analysis [of UHI] and revert to Government with roadmap.
- Implement a package of measures to increase the number of people with health insurance [13].

The two central planks of universalism in the 2011 Programme for Government were the introduction of universal free GP care by 2015 and universal health insurance after 2016 [2].