



Indicators of health system coverage and activity in Ireland during the economic crisis 2008–2014 – From ‘more with less’ to ‘less with less’[☆]



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ARTICLE INFO

Article history:

Received 26 February 2014

Received in revised form 25 June 2014

Accepted 1 July 2014

Keywords:

Health system

Coverage

Activity

Rationing

Ireland: Economic crisis

Health reform

Austerity

Cost cutting

ABSTRACT

A new Irish government came to power in March 2011 with the most radical proposals for health system reform in the history of the state, including improving access to healthcare, free GP care for all by 2015 and the introduction of Universal Health Insurance after 2016. All this was to be achieved amidst the most severe economic crisis experienced by Ireland since the 1930s.

The authors assess how well the system coped with a downsizing of resources by an analysis of coverage and health system activity indicators. These show a health system that managed ‘to do more with less’ from 2008 to 2012. They also demonstrate a system that was ‘doing more with less’ by transferring the cost of care onto people and by significant resource cuts.

From 2013, the indicators show a system that has no choice but ‘to do less with less’ with diminishing returns from crude cuts. This is evident in declining numbers with free care, of hospital cases and home care hours, alongside increased wait-times and expensive agency staffing. The results suggest a limited window of benefit from austerity beyond which cuts and rationing prevail which is costly, in both human and financial terms.

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1. Introduction

During the 2000s, Ireland had one of the greatest boom and bust cycles experienced by any high income country since the great depression of the early 1930s [1]. Ireland's crisis was contributed to by the international financial crisis but was primarily brought about by very poor national fiscal and public policy choices [24]. The crisis resulted

in Ireland entering into an international bailout, worth €85 billion [1] and huge cuts to public spending including a 12% cut to the health budget from 2008 [18]. International comparative work shows that of all 53 WHO Europe countries, eighteen countries were hardest hit by the economic crisis and that Ireland experienced the greatest drop in health spending in the years after the crisis [30].

A new Irish government was elected in the midst of the economic crisis which brought down the previous government. The government which came into power in 2011 promised a radical overhaul of the Irish health system, with 80 specific health commitments in the Programme for Government, the most high profile being the promise of free GP care for the whole population by 2015 and the introduction of Universal Health Insurance after 2016 [7].

[☆] Open Access for this article is made possible by a collaboration between Health Policy and The European Observatory on Health Systems and Policies.

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There is an increasing body of knowledge examining what happened to health systems during the financial crisis, demonstrating diverging responses across Europe [23]. Some countries introduced measures that increased efficiency, others maintained or increased health coverage. In contrast some countries reduced the depth of coverage or breadth of coverage and rationed care [6,20,22,23,27,31].

This article assesses the effects of the crisis on the Irish health system in terms of efficiency, coverage and activity between 2008 and 2014.

2. Methods

The authors collected indicators of coverage and activity in the Irish health system during the economic crisis from 2008 to 2014. These indicators include key metrics over time relating to

- (i) healthcare funding and resources,
- (ii) the coverage of the population with free or subsidised care,
- (iii) the efficiency of resources used,
- (iv) access to timely care.

The indicators gathered are limited by poor data collection in the Irish health system. For example, it is not possible to measure the impact of the crisis on health system performance, as measured by quality or health outcomes, as such data do not exist.

The indicators used are from a wide range of sources including the Department of Finance, HSE Annual Reports, HSE National Service Plans and waiting list data collected by the HSE [5,12,13,16,18,26]. Such indicators are used at an OECD/WHO Europe level to assess health system responses to the crisis [23,25,31].

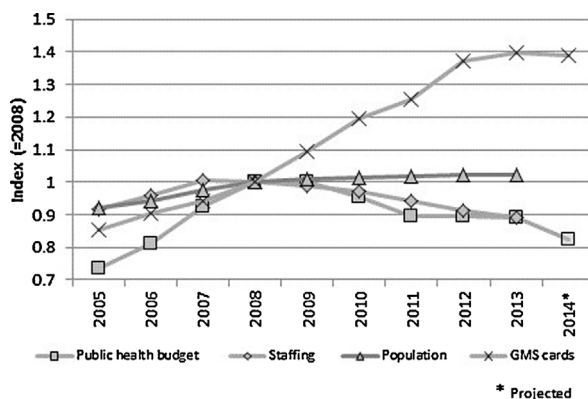
3. Findings

Approximately €2.3 billion has been cut from the Irish health system since 2008 and there are over 12,000 fewer Health Service Executive (HSE) staff in December 2013 than there were at the height of public health sector employment in 2007 [14,18].

Simultaneously, Ireland's unemployment rate grew from 4% in 2008 to 12.3% in January 2014 [3]. Reflecting lower incomes and higher levels of unemployment by September 2013, there were the highest numbers of people with medical cards in the history of the state [15,18]. Medical cards are a proven pro-poor measure which ensure access to GP and hospital care without charge and prescription drugs at a low charge [21].

Graph 1 shows how a health system with a significantly declining budget and staff numbers provided more coverage, evident in the huge increase in those with medical cards.

There has also been a drop in numbers signing up to private health insurance schemes during the time with 245,000 fewer people covered in December 2013 than in December 2008 [8]. These combined figures mean a million more people are dependent on the public health system. Together with Ireland's growing, ageing population, there



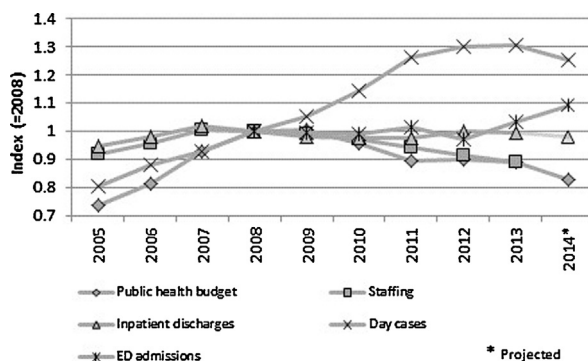
Graph 1. Levels of public health staffing, budget, population and numbers with medical cards 2005–2014.

is significantly increased demand on a health system which has much fewer resources.

Between 1997 and 2007, the health budget quadrupled, reflecting rising national income and making up for decades of under-spending in health [2,4]. Graph 2 shows this trend of significantly increased spending overtime which reversed in 2009. It also demonstrates that despite the declining budget and staff numbers, public hospitals managed to do 'more with less' in the period 2008 to 2012, indicating increased efficiencies during this time. The rising numbers of inpatient, day case, outpatient appointments and emergency admissions alongside reduced budget and staff suggests there was some 'fat' in the system from the boom time that was removed during the early years of the economic crisis [29].

Such efficiencies could also be influenced by the clinical care programmes, instigated in 2009 and which began to show benefits from 2010 onwards, and by agreements between health service management and unions which allow for increased flexibility and productivity [18].

Graph 2 also shows a reversal of the trend 'of doing more with less'. Towards the end of 2012, and through 2013 and 2014, inpatient activity decreased and day case activity levelled off despite increased demand [10,14,18]. In 2013, there was increased activity in emergency admissions which made up 83% of all admissions to public



Graph 2. Percentage change of public health budget, staffing, inpatient, day cases, Emergency Department attendances and outpatient attendances, 2005–2014.

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