



NDA Conference Resource Allocation in the Irish Health Services

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Plan of this presentation

- The starting position – resource allocation as servant of policy
- The approach – building on the evidence
- Changed needs and changing needs
- Reform and making things better
- Concluding thoughts.



Resource allocation as a servant of policy

- What are the stated objectives of health policy in Ireland?
- To what extent do these differ between political parties and interest groups?
- Previous failures and sacred cows
- From a focus on structures to a focus on processes
- Ensuring a link between policy goals and policy actions.



Guiding Principles in Ruane Group

- Transparent model based on population need
- Support local implementation of national priorities
- Deliver safe, sustainable, cost-effective, evidence-based care in appropriate setting (public or private, local or central)
- Financial incentives consistent with promoting healthcare and well-being and in line with nationally-determined priorities
- Financing system should be equitable
- New mechanisms should promote sustainability.



Changed needs and changing needs 1

- Most needs are chronic
- Service response should be continuous
- Many problems can be anticipated and prevented
- Many interventions are not very complicated and can be provided locally and by staff with specific training and skills
- The logic of a focus on managing chronic disease is for the different levels in the service to have similar incentives, and access being available to all
- Key arguments for universal benefits are incentives and behaviour as well as equity.



Changed needs and changing needs 2

- Ageing will increase needs slowly, but will also change the patterns of needs
- Disability rates are probably falling at any age, but absolute numbers are increasing
- Evidence of postponement of morbidity and possibly compression of morbidity
- Number of single elderly people is increasing but proportion is falling as life expectancy converges between men and women.



Strengthening primary and community provision 1

- The need for better primary care is not new, just progress has been very slow
- Not just about buildings (although they can help)
- Is there any useful distinction between primary and community services?
- Both parts are underdeveloped
- Rewards currently encourage episodic care and limiting access and cost shifting between sectors
- For many people the use of primary care is discouraged in terms of financial incentives.



Strengthening primary and community provision 2

- Entitlements are a mess – it is not feasible to ensure coherence in loose collection of incomplete commercial activities
- Primary care teams need to be more than meetings
- The whole system of entitlement, referral and payment systems needs to change to accommodate appropriate use at the right level
- The real gains are available from changing these more than in changing finance and delivery structures *per se*.



Reform and making things better

1

- If the need for change is mainly in primary and community services, focus needs to be on capacity, funding and incentives in this area
- No evidence that diversity in funding is helpful in doing this
- Single funds and single payers can add coherence and reduce costs
- Incentives on border of primary and secondary care need to be appropriate.



Reform and making things better

2

- Any structures can work and can fail
- Any financing system can work and can fail
- The dull things are the important things – behaviour depends more on incentives and processes than structures
- Any system needs limits – it is better if they are explicit and based on evidence and principles.



Reform and making things better

3

- There is evidence on how to effect change
- Paradoxically radical change requires stability where possible
- In all organisations efficiency initially gets worse when conditions are unstable
- Many of the proposed changes could bring significant benefits, but only if slow careful implementation with careful changes in systems and incentives support them.



Concluding thoughts

- The real policy is levelling up
- Increased demands require better use of current resources (and possible some additional resources)
- Current inefficiencies can be reduced but this requires both doing things better and doing things differently
- The crisis makes some changes more difficult but has led to some new opportunities
- New structure may help, better systems are needed.

Thank you for your attention

