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UNIVERSAL GP CARE IN IRELAND: POTENTIAL COST IMPLICATIONS

SHEELAH CONNOLLY, ANNE NOLAN, BRENDAN WALSH AND
MAEV-ANN WREN



Universal GP care in Ireland: Potential cost implications¹

*Sheelah Connolly (ESRI), Anne Nolan (ESRI), Brendan Walsh (ESRI), Maev-Ann Wren (ESRI)

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INTRODUCTION

Ireland is unusual in a European context in not providing free or heavily subsidised General Practitioner (GP) care for the total population. While medical and GP-visit cardholders are entitled to GP visits free at the point of use, those without a card must pay the full cost associated with accessing GP services.

In 2016 an all-party parliamentary committee (Houses of the Oireachtas Committee on the Future of Healthcare) was established with the aim of achieving a single long-term vision for healthcare and the direction of health policy in Ireland. One of the recommendations of the committee's final Sláintecare Report, published in May 2017, was the introduction of universal GP care, which was equated to access to GP care for all without cost.

The aim of this analysis is to quantify the potential cost implications of implementing universal GP care in Ireland.

METHODS

The analysis identifies and uses three alternative scenarios to assess the potential cost implications of universal GP care in Ireland in terms of public and total healthcare expenditure. In general the analysis is concerned with the cost of providing free GP visits for those not currently covered by a medical or GP visit card. It is assumed that GPs will be paid primarily via a system of capitation where they receive an annual (age and sex adjusted) payment for each person registered with the GP practice. This is the current system of payment for cardholders' care.

In the first scenario we assume that GPs would receive the age and gender specific capitation rates for non-cardholders that they currently receive for cardholders, plus other fees and allowances payable to GPs.

¹ This Bulletin summarizes the findings from: Connolly, S., Nolan, A., Walsh, B., and Wren, M., "Universal GP care in Ireland: Potential cost implications", Economic and Social Review, Available online: <http://www.esri.ie/article/view/861>

Scenario two assumes that GPs would seek to secure payment from the state at a level that would be equivalent to the private fees they currently receive from individuals paying at the point of use. This scenario also takes into account expected additional visiting (arising from a decrease in the cost of GP visits) on the part of new cardholders. Scenario three assumes that the state will seek to reduce costs by encouraging GPs to delegate more care to practice nurses.

FINDINGS AND DISCUSSION

The analysis found that introducing universal GP care would require an overall increase in *public healthcare expenditure* of between €262 million and €500 million per annum, depending on which of the three scenarios was employed. This represents an increase of between 1.8 and 3.4 per cent of public health expenditure in 2013. The range of findings reflects the differing scenarios and uncertainties in the evidence on GP visiting rates. The overall effect on *total healthcare expenditure* of introducing universal GP care ranges from a reduction of €5 million to an increase of €233 million per annum, representing an increase of between 0 and 1.2 per cent of total healthcare expenditure.

The impact of introducing universal GP care on total healthcare expenditure is less than on public healthcare expenditure because a significant proportion of the cost to the State replaces payments that were previously made out-of-pocket by individuals (and are therefore included in the calculation of total healthcare expenditure).

These estimates do not include costs that may arise in setting up universal GP care, nor do they capture the potential impact of introducing universal GP care on healthcare expenditure in other sectors such as pharmaceuticals and hospital care.

Removing (or reducing) GP fees at the point of use would improve access to GP services in Ireland. However, other measures may be required to address potential GP supply shortfalls in the future.

Whitaker Square,
Sir John Rogerson's Quay,
Dublin 2
Telephone **+353 1 863 2000**
Email **admin@esri.ie**
Web **www.esri.ie**
Twitter **@ESRIDublin**