



## Pre-Budget Submission 2019

### Department of Health

*“I had to retire early, because of illness. Private pension had dropped significantly at the time, unable to afford private home care, very expensive, more home help and respite care needed”*

*“My pension is a few euro over €500 per week I am not eligible for a full medical card and have to pay for all my medication. i.e I only have a Doctor only medical card and am over 80 years of age. Please ask the Minister for Health to give over 80s a full Medical Card”*



An Roinn Tithíochta, Pleanála,  
Pobail agus Rialtais Áitiúil  
Department of Housing, Planning,  
Community and Local Government



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## **List of Recommendations 2019**

1. Increase the Home Supports budget by 26% to begin to meet unmet need. [Cost: €106 million].
2. Extend the reablement programme conducted in North Dublin in 2014 to each Community Health Organisation.
3. Conduct a Cost Benefit Analysis of the reablement pilots conducted in each Community Health Organisation to establish savings made in Home Supports budgets and to measure the health and social outcomes for pilot participants.
4. Increase the income threshold for a medical card in line with increases to the State Pension and secondary benefits.
5. As a first step towards reinstating the over 70s medical card, expand the range of services provided by the GP visit card to include prescriptions to those over 70 [Cost: €61.5 million].
6. Remove the GMS prescription charge for over 70s medical card holders [Cost: €42 - 44 million].
7. Allocate €380 million in 2019 out of the required additional funding of €2.8 billion needed over 10 years to ensure that the commitments in Sláintecare to extend entitlements and address capacity can be delivered on time.
8. Allocate €155 million in 2019 (this amount is required for years 1-6) as the first tranche of the transitional funding to support delivery of the new model of Universal Health Care in Sláintecare.

## **1. Introduction**

Age Action is the leading advocacy organisation on ageing and older people in Ireland. Our mission is to achieve fundamental change in the lives of all older people by eliminating age discrimination, promoting positive ageing and securing their entitlement to comprehensive and high-quality services.

We want to make Ireland the best country in the world in which to grow old and we work with older people to build a society free of ageism where their rights are secured.

This submission outlines our recommendations to the Department of Health with regard to the budget allocation for 2019.

## **2. Lived Experience of Growing Older in Ireland**

Each year, in preparing our pre-budget submission, Age Action conducts a national consultation of our members. This involves distributing a survey on issues relevant to the budget to our members through our magazine *Ageing Matters* and hosting budget consultation meetings with our members. This year we held four events in Dublin, Galway, Cork and Castlebar.

### *Survey of Age Action members*

We received just under five hundred responses to our survey by post and online. Of those replying, 60 per cent were female. Some 43 per cent were aged 65-74 years, with just under 25 per cent aged 70-79 years and 27 per cent aged over 80 years.

Almost three-quarters of respondents lived in an urban area, with 14 per cent in a rural location close to neighbours. Just over 8 per cent lived in an isolated rural location with no neighbours close by.

Survey respondents rated having a full medical card as their top health priority, with access to Home Support services a very close second. A clear message from these

consultations was that many older people have serious concerns about their ability to access adequate and timely health and social care services when needed, which results in them taking out costly private health insurance, which many struggle to pay for.

Difficulties accessing hospital appointments due to transport difficulties was raised as a challenge by 10 per cent of those surveyed.

#### *Member consultations*

While the discussions at our four member consultation meetings around Ireland did focus on local issues, those in attendance were overwhelmingly concerned about the proper resourcing of Home Support services. A further key issue for members was the impact felt by some older people from the loss of their full medical card when income increases (such as in the State pension rates seen in recent Budgets) pushed them just over the income threshold.

### **3. Investing in Home Supports to support older people to lead healthy independent lives**

A central objective of the Department of Health *Strategic Plan 2016 to 2019* is to support people to lead healthy and independent lives, while promoting health and wellbeing is a cross-cutting priority for the Health Service Executive (HSE).

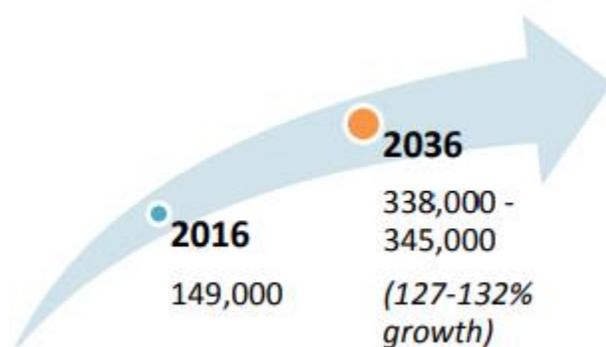
The HSE 2018 service plan specifically commits to providing appropriate home supports to facilitate older people to remain well in their own homes and to develop sustainable models of health and social care which deliver positive outcomes and best value for money.

#### *Demographic challenges*

Ireland's increasing life expectancy makes meeting the above national policy objectives more urgent than ever. People currently aged 65 can now expect to live into their 80s,

with two-thirds of these years lived disability free<sup>1</sup>. However, as people live longer, their risk of disability also increases. It is estimated that 72.3 per cent of the population aged 85 and over will have a disability.<sup>2</sup> The numbers of older people, and the proportion of the total population they comprise, continues to grow rapidly. The number of people over the age of 65 is increasing by over 20,000 persons a year. In addition to this, the proportion of people over the age of 85 is projected to double in the next 20 years.<sup>3</sup>

Figure 1 Population Growth Projections aged 80 years and over 2016-2036



Source: Oireachtas Library & Research Service | Spotlight Home Care for Older People - Seven Policy Challenges. 2018.

The specific demographic challenges of the growth in older cohorts is stark for the period up to 2030, with the over 65 cohort increasing by 59 per cent and the over 85 group by over 95 per cent.

### Capacity challenges

In its report on future needs in the Irish health care system, the ESRI sets out the impact that the burgeoning ageing population will have on Home Supports services. It noted that the demand for Home Care Packages is “projected to increase by between 44-66 per

<sup>1</sup> <https://health.gov.ie/wp-content/uploads/2018/01/Key-Trends.pdf>

<sup>2</sup> [http://www.cso.ie/en/media/csoie/newsevents/documents/census2016summaryresultspart2/Chapter\\_9\\_Health\\_disability\\_and\\_caring.pdf](http://www.cso.ie/en/media/csoie/newsevents/documents/census2016summaryresultspart2/Chapter_9_Health_disability_and_caring.pdf)

<sup>3</sup> <https://health.gov.ie/wp-content/uploads/2018/01/Key-Trends.pdf>

cent by 2030” and that the “demand for Home Help hours is projected to increase by between 38-54 per cent by 2030”.<sup>4</sup>

The Health Service Capacity Review report also flags the increase in capacity needed, stating that a 120 per cent increase will be required in Home Support services if this projected demand is to be met.<sup>5</sup> Looking at Home Care Packages, this report states that the required capacity will need to increase by 70 per cent from 15,600 per month currently requiring the service to 26,600. There will be a need for an additional 7.2 million Home Help Hours a year by 2031.<sup>6</sup>

The projected figures for the rise in Home Supports services show the critical need for the development of a sustainable, appropriately financed, statutory Home Care scheme. The findings from both reports have serious implications for the planning of health and social care services for older people. The complexities of the challenges regarding workforce planning in the sector will continue to pose problems as precarious work and low pay are endemic issues in the sector which need to be addressed.

### *Unmet need*

Age Action welcomes the amalgamation of the Home Help and Home Care Packages into the Home Support for Older People’s Service. The alignment of Home Supports services into a single funding model is a positive development which should result in improvements in ease of access, assessment and availability for older people as the application process is now streamlined and simplified.

We remain concerned that the limited resources available in the Home Supports Scheme means that the provision of Home Care Packages for those leaving acute hospitals are

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<sup>4</sup> <https://www.esri.ie/publications/projections-of-demand-for-healthcare-in-ireland-2015-2030-first-report-from-the-hippocrates-model/>

<sup>5</sup> This report states that the required capacity for Home Care Packages will need to increase by 70% from 15,600 monthly to 26,600. The report also states that an additional 7.2 million Home Help Hours will be needed by 2031.

<sup>6</sup> <https://health.gov.ie/wp-content/uploads/2018/02/71580-DoH-Dublin-Report-v6.pdf>

prioritised over appropriate home support for older people in the community. Additional capacity would mean that more people could continue to live at home if supports were available to them. This would also see a reduction in the costs associated with long term residential care, acute hospital admissions and stays.

Using the most recent HSE figures there were 6,458 people waiting for new and additional Home Support services in May 2018.

The numbers without services waiting for Home Help were 2,539, with 2,303 waiting for Home Care Packages. This compares to 2,456 and 2,218 respectively in May 2017.

*Table 1 Unmet Home Supports Needs 2016 – 2018*

<b>Date</b>	<b>Numbers without new and additional Home Help Hours</b>	<b>Numbers waiting for Home Care Packages</b>
December 2016	2,039	2,342
May 2017	2,456	2,218
May 2018	2,539	2,303

*Source: HSE performance reports, various.*

It is estimated that approximately 6.5 per cent of the population aged over 65 years (637,567) receive home help in Ireland, which compares poorly with the OECD estimate of approximately 10 per cent of this age cohort needing the service. With the well publicised rise in the over 65 cohort projected to continue, planning to meet this need must be prioritized.

*Table 2 Home Help Hours and Clients 2008 - 2017*

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<i>No of Hours millions</i>	12.63	11.89	11.68	11.09	9.88	9.74	10.3	10.44	10.6	10.5
<i>No of clients</i>	55,366	53,791	54,000	51,000	45,705	46,454	47,061	47,915	47,000	46,254

*Source: HSE Annual Reports and Financial Statements 2008-2015; HSE Annual Service Plan 2017.*

Table 2 shows the decrease in home help hours and clients in receipt of the service since 2008. The 2018 allocation of Home Supports services will not bring the number of recipients back to 2008 levels.

Unmet need is associated with a variety of negative consequences that can affect the health and well-being of the older person. These range from relatively minor consequences, such as feeling distressed because housework is not done, to major consequences, such as being unable to eat when hungry.<sup>7</sup> Older frail people can often sustain an independent lifestyle at home if they receive the appropriate practical, physical and psycho-social supports. Without these home care supports some older people are forced to move to residential care settings which is often not their first choice.

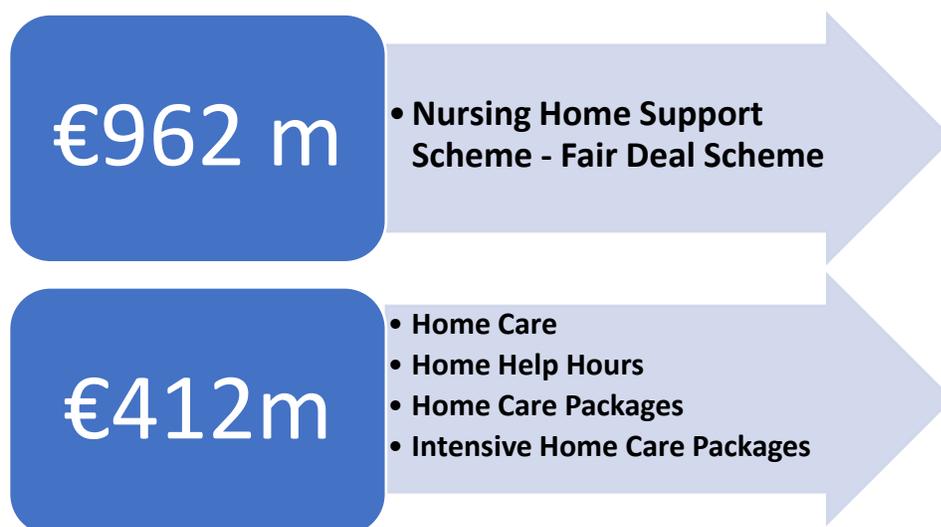
While Age Action welcomes the additional funding of €18.25 million to Home Supports for Older People in Budget 2018, which brought the allocation to €412 million, we also note the disparity in allocation between the Nursing Home Support Scheme and the Home Supports Service, see figure 2 below. This incremental rise in Home Supports funding is a vital interim step while Ireland moves to a statutory Home Care Scheme underpinned with robust eligibility legislation and quality standards. We note the stark difference in cost between a HSE provided Home Care Package costing €8,580 per annum (€165 for approximately 6.5 hours per week) and €49.932<sup>8</sup>, the yearly average cost of providing care in a private nursing home. This brings into sharp focus the urgent need to develop and deliver a sustainable funding model for the home care statutory scheme to enable older people to remain in their own homes where many want to be cared for.

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<sup>7</sup> Quail, J Wolfson, C and Lippman, A (2011) Unmet Need for Assistance to Perform Activities of Daily Living and Psychological Distress in Community-Dwelling Elderly Women. *Canadian Journal on Aging* 30 (4) : 591– 602

<sup>8</sup> [www.budget.gov.ie/Budgets/2018/Documents/7.Nursing%20Homes%20Support%20Scheme%20-%20Trends%20and%20Figures.pdf](http://www.budget.gov.ie/Budgets/2018/Documents/7.Nursing%20Homes%20Support%20Scheme%20-%20Trends%20and%20Figures.pdf)

Figure 2 Public spending Nursing Home Support Scheme and Home Supports Services 2018



Source: Oireachtas Library & Research Service | Spotlight Home Care for Older People – Seven Policy Challenges. 2018.

Table 3 shows the trend over time in numbers and spend on Home Care Packages and of the statutory Nursing Home Support Scheme. Age Action is aware that that the numbers receiving Home Supports in the community does not provide an accurate reflection of current and future need, with some older people opting not to apply as they know that services are insufficient to meet their need.

Table 3 Home Care Packages and NHSS recipients and funding 2011 - 2018

	2011	2012	2013	2014	2015	2016	2017	2018
<b>HCP/IHCP Budget</b>	€138m	€130	€130	€130	€135	€152	€152	€412m <sup>9</sup>
<b>No. HCP</b>	10,870	11,023	11,020	13,200	15,450	16,351	19,807	20,175
<b>No IHCP</b>	-	-	-	30	130	180	224	235
<b>NHSS Budget</b>	€963m	€944.7m	€947m	€939m	€993m	€940m	€940m	€942m
<b>NHSS beds funded</b>	21,548	21,884	22,396	22,296	22,724	23,292	22,949	€23,334

<sup>9</sup> Allocation of €408m is total for Home Care Packages, Intensive Home Care Packages and Home Help Hours

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Age Action is very mindful and fully supportive of the all-party consensus to implement Sláintecare which commits to delivering affordable, integrated, GP, primary and social care services to all. This report calculates the cost of meeting unmet need in home care provision (using the more realistic levels of 26% and 50% respectively) at €120 million and €205 million over the first five years of Sláintecare.<sup>10</sup>

**Recommendation:**

1. Increase the Home Supports budget in 2019 by 26% to begin to meet unmet need [Cost: €105 million].

*Reablement - supporting older people to maintain independence and well-being*

There are positive indicators that identifying older people at risk of becoming frail and providing them with reablement, or restorative care programmes, results in improvements in health-related quality of life and well-being and reduced personal home care costs.<sup>11</sup>

In many countries policymakers are actively promoting reablement as an effective means of supporting older people to be independent. For example, in Denmark, municipalities are required by law to assess if a person in need of home care services could benefit from a reablement programme.

Reablement helps older people regain confidence and skills needed to live independent and fulfilling lives reducing the need for services for home support services. Tailored,

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<sup>10</sup> <https://webarchive.oireachtas.ie/parliament/media/committees/futureofhealthcare/oireachtas-committee-on-the-future-of-healthcare-slaintecare-report-300517.pdf>

<sup>11</sup> <http://www.ifa-copenhagen-summit.com/wp-content/uploads/2016/04/Copenhagen-Summit-Final-Report.pdf>

intensive programmes, usually with support from an occupational therapist, are provided to people in their own homes for between three to 12 weeks with relevant equipment and technology provided.

Reablement is at yet undeveloped in the Irish context, although a HSE report produced by Mazars highlighted that comparable reablement programmes in England were cost-effective and reduced the need for homecare.<sup>12</sup>

An award winning reablement pilot conducted in North Dublin in 2014 found that 24 per cent of participants needed no further home care supports after the intervention, while 61 per cent needed reduced home help or home care packages.<sup>13</sup>

Given the strong international evidence that reablement services can be an effective use of funding leading to savings in both home supports and acute re-admissions<sup>14</sup>, Age Action urges Government to build upon the learning from the pilot and ensure that reablement forms an integral element of the forthcoming statutory Home Care Scheme.

**Recommendation:**

2. Extend the reablement programme conducted in North Dublin in 2014 to each Community Health Organisation.
3. Conduct a Cost Benefit Analysis of the reablement pilots conducted in each Community Health Organisation to establish savings made in long-term Home Supports budgets and to measure the health and social outcomes for pilot participants.

<sup>12</sup> <http://www.hse.ie/eng/services/publications/olderpeople/Activity-Resource-Review-Home-Care-Services-May-2016.pdf>

<sup>13</sup> Rooney, Barbara (2016) Reablement - Dublin North Central. Presentation.

<sup>14</sup> <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4872552/>

## 4. Cost of Medicines

Cost sensitivity has been shown to be a factor in people postponing seeking healthcare and for non-adherence to medication. While all people aged over 70 are eligible for free GP visits, 20 per cent of this age cohort are not eligible for free medications<sup>15</sup> as they are over the income threshold of €500 per week for a single applicant and €900 for a joint application for a medical card.

This income threshold has not increased since 2014, despite increases in recent years in the top rate of the State Pension. Age Action is frequently contacted by worried and stressed older people who are excluded from a medical card as their income just exceeds the current eligibility thresholds.

### *Mary's Story:*

*“As a widow my Gross weekly income is just over the €500 qualifying limit and I cannot get a Medical Card despite being on constant medication. The income ceiling needs to be increased.”*

### *Peter's Story:*

*“For almost three years after retirement I was on a fixed income with a mortgage to pay and with a chronic medical condition paying the max monthly amount on the Drugs Repayment Scheme. I had to cut out doctors visits and tried to reduce my meds as well. And no prospect of part time work to supplement my income. It was really tough”.*

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<sup>15</sup> Smyth B. et al. (2017) Planning for Health: Trends and Priorities to Inform Health Service Planning 2017. Health Service Executive.

Age Action urges Government to adjust the medical card income thresholds to ensure that the increases in Contributory and Non-Contributory pensions in recent years do not penalise those whose incomes are close to the medical card cut-off point for eligibility.

**Recommendation:**

4. Increase the income threshold for a medical card in line with increases to the State Pension and secondary benefits.

For those experiencing multiple morbidity or long-term illnesses, being over the limit for a medical card carries significant extra costs. These may include medical appliances, blood tests, chiropody, therapies, hearing aids, dentures and medication. The cost of monthly prescriptions for many people 70 and over can be up to the Drug Payment Scheme monthly cap of €134 (€1,608 per year). This represents a significant burden, particularly for single or widowed people, as it is equal to almost a month's gross income for those on €501 per week, just over the threshold for a medical card.

*Reinstate over 70s Medical Card*

Whilst it is difficult to ascertain the total cost of providing automatic entitlement to the over 70s medical card, the latest data from the Primary Care Reimbursement Service suggests an approximate cost to cover prescriptions.

In 2016, there were 91,518 people aged 70 and over eligible for the over 70s GP visit card. The average pharmacy cost per person with a medical card was €671.44,<sup>16</sup> which suggests an overall cost of approximately €61,449 million.

**Recommendation:**

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<sup>16</sup> <https://www.hse.ie/eng/staff/pcrs/pcrs-publications/pcrs-annual-report-2016.pdf>

5. Extend the range of services provided by the GP Visit Card to include prescriptions for the over 70s, as an immediate measure while the phased delivery of the Sláintecare reforms is implemented, extending access to GP and primary care services to an additional 500,000 people each year on the basis of income. [Cost: €61.5 million].

### *Removal of the Medical Card prescription charge*

The reduction in the prescription charge from €2.50 to €2 per prescribed item in Budget 2018 for the over 70 medical card holders was a welcome move towards an affordable primary care system with universal access.

Research from the Longitudinal Study on Ageing (TILDA) states that 31 per cent of over 65s have five or more prescriptions, rising to 37 per cent in the over 75s.<sup>17</sup> Older people are therefore more likely to require multiple prescriptions, which can cost up to €240 per year. This equates to more than a week's income for those solely reliant on the Non-Contributory State Pension and places financial hardship on the sickest and least well off in our society.

In an attempt to save money, older people may not take essential medication such as blood pressure tablets as prescribed. According to Professor Charles Normand, this has been responsible for 200 to 300 strokes every year and a similar number of heart attacks.<sup>18</sup>

Age Action remains concerned at the cost barrier of prescription costs for vulnerable older people. Callers to Age Action's Helpline have told us that they forgo meals or other essentials to save money to pay for medication.

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<sup>17</sup> [https://tilda.tcd.ie/publications/reports/pdf/Report\\_Polypharmacy.pdf](https://tilda.tcd.ie/publications/reports/pdf/Report_Polypharmacy.pdf)

<sup>18</sup> <https://www.irishtimes.com/news/health/prescription-charge-causing-hundreds-of-heart-attacks-1.2451782>

We ask that the GMS prescription charge for medical card holders aged 70 year and older is abolished in Budget 2019 as an immediate measure while the phased delivery of the Sláintecare reforms extending access to GP and primary care services to an additional 500,000 people each year on the basis of income is implemented.

**Recommendation:**

6. Removal of the GMS prescription charge for over 70s medical card holders [cost €42-44 million].

**5. Implementation of Sláintecare**

Age Action is very concerned at the slow progress made since the launch of Sláintecare in May 2017. We note that the HSE 2018 Service Plan refers explicitly to the essential role that Sláintecare will have in the delivery of a fit for purpose, equitable and sustainable health service for Ireland.

Age Action supports the cross-party commitment and consensus to deliver Sláintecare. We urge the allocation of adequate funding to ensure its timely implementation.

**Recommendations:**

7. Allocate €380 million in 2019 out of the required additional funding of €2.8 billion needed over 10 years to ensure that the commitments to extend entitlements and address capacity in Sláintecare can be delivered on time.
8. Allocate €155 million in 2019 (years 1-6) as the first tranche of the transitional funding to support delivery of the new model of Universal Health Care in Sláintecare.

If you require any further information, please do not hesitate to contact us at the details below.

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