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# Details Of The Proposed Health Reform Programme

## **In relation to new structures and functions:**

The Government has approved the establishment of a Health Service Executive which will function as a national agency with responsibility for delivering services, specified by the Minister for Health and Children, within budget. It will replace the existing health boards and the Eastern Regional Health Authority. These will be abolished and their existing functions will be transferred to the new Executive.

The Health Service Executive will incorporate three pillars: a National Hospitals Office; a Primary, Community and Continuing Care Directorate; and a National Shared Services Centre. The Primary, Community and Continuing Care Directorate will be organised on the basis of four regions. The boundaries of these regions have yet to be decided. The existing community care structures at local level will be retained and designated as Local Health Offices.

## **In relation to abolition of Health Boards and the ERHA:**

With regard to the abolition of health boards the Ministers for Health and Finance emphasised "This is not a reduction in the number of health boards from 10 to 4 – it is a complete reorganisation of the system around a single organisation with responsibility for service delivery nationally. The regional offices of the Health Service Executive will not have separate board structures".

## **In relation to acute hospital services:**

The Government agreed that pending the enactment of legislation to set up the Health Service Executive, the National Hospitals Office arm of the HSE will be established immediately on an administrative basis.

The Government noted that the Re-

port of the Taskforce on Medical Staffing is expected to be finalised shortly and agreed that it would be published as soon as possible. The report will present a plan to achieve the reduction in working hours for non-consultant hospital doctors required under the European Working Time Directive and consider how best to move from a consultant-led to a consultant-provided service. It will also address the need for changes in the configuration of hospital services.

The Ministers said "The Government believes that reform of the hospital sector is particularly urgent and important. It has, therefore, decided to establish the National Hospitals Office on a non-statutory basis. Its immediate task will be to implement whatever changes are approved by Government on foot of the Hanly report."

## **In relation to the Department of Health and Children:**

The consolidated health services structure will require a fundamental restructuring of the Department of Health and Children – the Government agreed that this will be examined by one of a series of working groups to be set up as part of the implementation process. The devolution of executive work will allow the Department to focus on strategic and policy issues. It will also be responsible for setting national service objectives and priorities for the health sector and for holding the Executive to account for its performance. The Minister for Health and Children said "At the highest level we need to tighten the focus on policy making and evaluation – we cannot set out to change the system without looking at our own organisation."

## **In relation to agencies other than Health Boards and the ERHA:**

Based primarily on the Prospectus Report's proposals, the Government also agreed to mainstream, consolidate or abolish up to 21 existing health agencies in addition to the 11 health boards/ERHA. The Minister for Health said "This will ensure a greater streamlining of activity around policy and executive work and a reduction in overlaps and reporting lines to the Department of Health and Children improving oversight and manageability."

The Government also agreed that there will be a review, as part of the implementation process, of the activities currently being undertaken by the health service to see if some non-core activities such as income support, environmental health and food safety should be transferred to other parts of the public service.

#### **In relation to the Health Information and Quality Authority:**

The Government agreed to establish the Health Information and Quality Authority, first proposed in the National Health Strategy, to promote quality of care throughout the system and ensure effective management and delivery of services within the resources available.

#### **In relation to Financial Management:**

The Government also agreed that work should begin immediately on implementing the improved financial management systems (service planning, management reporting, rebalancing financial allocations, employment control, risk assessment, fraud policy and audit reform) recommended in the Brennan Report. A national service plan will be prepared by the Health Service Executive each year and submitted to the Minister for Health and Children for approval. It will be based on the service priorities set by the Minister for Health and Children and will outline the quantity and quality of services to be delivered in exchange for the funding allocation set by Government.

This national plan will be underpinned by a set of standardised serv-

ice plans at all levels of the system across the country.

These will in each case contain a clear statement of the quantity and quality of care to be provided to the public in return for the budget being provided. These service plans will, in turn, be supported by reporting systems that focus on progress achieved against stated budget and service objectives.

#### **In relation to Financial Accountability:**

The Government decided to give the CEO of the Health Service Executive the statutory authority to assign duties to senior clinicians and general managers making them accountable for the financial implications of their clinical and management decisions. Hospital consultants and general practitioners will be primary units of financial accountability. They also agreed that renegotiation of the consultant and general practitioner contracts to give effect to this and other parts of the reform programme should start immediately.

The Ministers said "The development of clearer lines of accountability for all key drivers of expenditure will be a radical and long overdue step in supporting a coherent financial management system. This will be challenging to achieve but is a natural progression in connecting financial and non-financial accountability and embedding them in the delivery system."

#### **In relation to Communicating the Reforms:**

Both Ministers acknowledged the need to explain the Government's reform plans to the general public and those working in the health system, and to secure their support for the programme of change.

The Ministers commented on the role of people working in the health system saying "the critiques made are of the existing structure and not of the people who occupy positions in that structure. In fact, as the reports indicate, there is a strong commitment on the part of managers and

other staff in the system to deliver results often in spite of, rather than supported by, the structures as they currently operate."

The Government has agreed to commence a national communication process with stakeholders to be completed by October 2003. The Ministers said that "the reports necessarily reflect a high level analysis and do not attempt to provide all of the operational details associated with whole system change on the scale proposed. Eliciting views on the best pathways to implementation from the people who work within the system will be essential in fleshing out the proposals and in underpinning the success of any programme of change."

In conclusion, the two Ministers thanked Professor Niamh Brennan and the members of her Commission for the work on their report which was concluded within a remarkably short period. They also thanked the Steering Group who oversaw the Audit of Structures undertaken by Prospectus. The Ministers said that "Their work has made a major and valuable contribution to the development of an integrated programme of reform for the health system."

Finally, the Ministers indicated that, in addition to the forthcoming report of the National Taskforce on Medical Staffing (Hanly), the Government will also be considering shortly a Deloitte and Touche Review of the General Medical Services and a National Health Information Strategy.