



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

Primary Care Reimbursement Service

Medical Cards

Report for the
Public Accounts Committee

21 June 2012

1. Introduction

1.1 The HSE's Primary Care Reimbursement Service (PCRS)

The HSE's Primary Care Reimbursement Service (PCRS) provides a wide range of primary care services across 12 community health schemes, including the Medical Card Scheme, to a population of over 3.6 million people. These services are provided by over 6,660 primary care contractors and involve 77.9 million transactions annually with an associated expenditure of €2.517bn. They form the infrastructure through which the Irish health system delivers a significant proportion of primary care services to the public.

As of the 1 May 2012 there were 1,916,768 Medical and GP Visit Cards in circulation, an increase of 183,536 on the 1 January 2011.

	Medical Cards	GP Visit Cards	Total
1/01/2011	1,615,809	117,423	1,733,232
1/01/2012	1,694,063	125,657	1,819,720
1/05/2012	1,787,839	128,929	1,916,768

1.2 Medical Card centralisation

In 2011, a major change programme was initiated, planned and developed by the HSE which culminated in the centralisation of medical card processing within the PCRS on the 1st July 2011. The purpose of the centralisation project was to;

- Provide for a single uniform system of medical card application processing, replacing the different systems previously operated through more than 100 offices across the country.
- Streamline work processes and reduce the numbers of staff involved in medical card processing from approximately 450 to 150.
- Ultimately ensure a far more accountable and better managed medical card processing system.

The centralisation process has been a success, however there were a number of specific issues identified during the transition phase which the HSE have given a significant focus to. These are summarised below and detailed in the report.

Backlog in processing medical cards

During the first 6 months after centralisation, a considerable backlog in processing applications accumulated. This caused regrettable difficulties for applicants and resulted in public criticism of the HSE. Since that time, a planned review, supported by Price Waterhouse Coopers (PWC) of the first six months of the centralised operation has been carried out. One of first actions of the Review was to address this backlog. This work has now been completed and the backlog cleared.

Ineligible/ inactive cards

As part of the six month Review, PWC also undertook a high level assessment of potential excess registrations on the Medical Card Register. In their analysis, PWC indicated a range of potential exposure if such excess registrations were to be substantiated. They also stated that these figures must be treated with extreme caution and could only be considered as broadly indicative in nature. Any true estimate can only be arrived at following a forensic analysis of the medical card database. This analysis which is already underway will also support the development of a risk-based framework, to ensure that appropriate governance and probity measures are in place to control the regularity of medical card issuing.

Payments to GPs

The Public Accounts Committee (PAC) has previously raised the issue of payments to GPs in respect of deceased medical card holders. The HSE is currently undertaking a comprehensive analysis of the historical overpayments to GPs referenced by the PAC. This analysis has been completed and the issue of any overpayments is being followed up with GPs.

In addition to reporting on the above matters this briefing document also sets out;

- How the backlog of applications have been addressed
- The further progress made in relation to the medical card centralisation programme.
- The outcome of the first six month review of the implementation programme.
- The progress on the current improvement initiatives being undertaken by PCRS.
- In a series of appendices, the processes for medical card applications and reviews, a copy of the update issued to Oireachtas members in April and the latest medical card processing figures.

2. Six month Review of the medical card centralisation

The HSE had planned to undertake a comprehensive review of the medical card centralisation programme following its first six months of operation.

The purpose of the Review was to;

- Assess the effectiveness of the implementation of the centralisation programme.
- Make recommendations for further improving the centralised medical card system.

The planning for and oversight of the Review was undertaken during the first quarter of 2012 by a Steering Group established by the HSE and the work of the Review was supported by Price Waterhouse Coopers (PWC). The backlog in applications and any of the underlying issues that led to this backlog together with the issue of inactive/ ineligible medical and GP Cards were also considered as part of this Review.

The Review report has been adopted by the HSE and a significant work programme is now underway to implement its recommendations, specifically as they relate to;

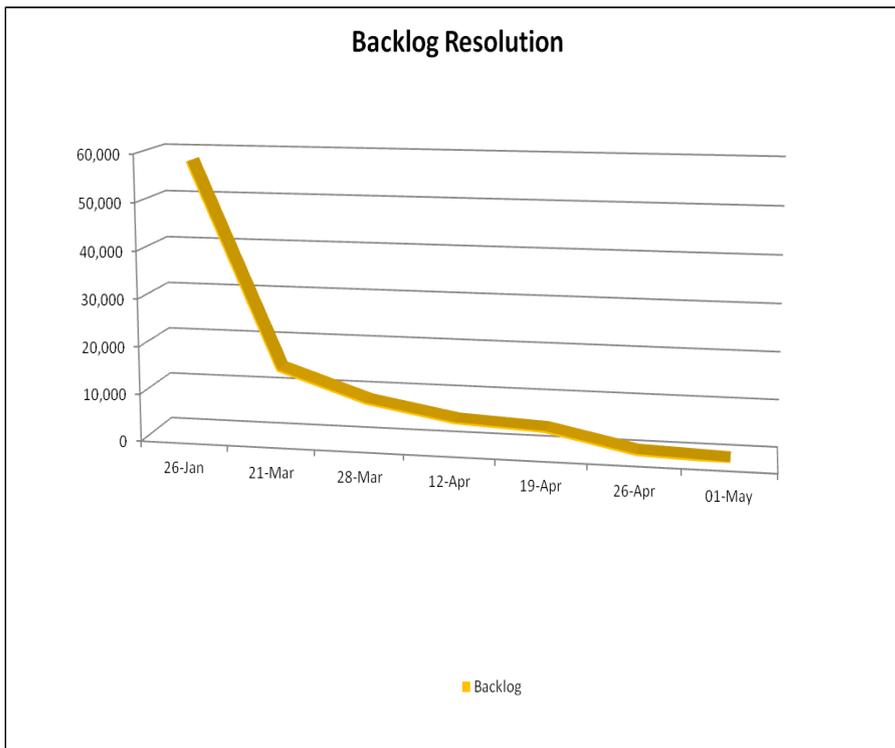
- Addressing the backlog of applications.
- Improving the experience of service users.
- Improving Medical Card processes to make them more customer friendly.
- Improving the overall controls in place.

The initiatives being taken are set out in more detail in Section 3 below.

3. Implementing improvements to the Medical Card system

3.1 Addressing the backlog of applications

The backlog of medical card applications stood at 57,962 cases at the end of January 2012. The HSE undertook to clear this backlog by the end of April 2012 and a significant programme of work was put in place to deal with this. We are happy to report that the backlog was cleared as planned at the end of April 2012. The graph below shows the reduction in the backlog.



As a result, 94% of fully completed applications and reviews are now processed within the 15 day target turnaround time. These turnaround times are now also published online on a weekly basis, at www.medicalcard.ie. The Medical Card processing report of the 21 June 2012 is attached at **Appendix 4**.

3.2 Improving the experience of service users

Improving customer service

The centralisation of medical cards marks a significant shift in the nature of the role of the PCRS from being solely a back office processing unit, to being a critical service delivery unit to over 3.6 million people. With this shift in the nature of the organisation, the PCRS is undertaking a number of

specific customer service initiatives within PCRS. These initiatives are intended to improve all aspects of the customer service experience including the application and renewal processes, the ability to contact the PCRS, query handling and escalation and expanding the capability of local offices to support service users.

Appointment of a Head of Customer Services

Given the importance of further developing the customer service ethos within PCRS, a new Head of Customer Services has been appointed to PCRS. This person has taken up their appointment on the 18 June 2012.

Redesigned Application Form

There was considerable evidence that many medical card applicants experienced difficulties in both understanding and completing the application form and process. This resulted in;

- Relatively high levels of incomplete applications being submitted by applicants
- A high volume of additional information requests being issued by PCRS.
- Online applications being submitted without supporting hard copy documentation.

A draft revised application form has now been produced in conjunction with the National Adult Literacy Agency (NALA). This is currently being tested and will be formally introduced in June 2012.

The new application form will be easier to complete and will provide much clearer instructions to the applicant in terms of the supporting evidence that is required.

In addition, HSE staff in Local Health Offices are available to assist applicants in screening applications before they are submitted or to answer queries in relation to the application form or eligibility criteria.

It is anticipated that a further, more fundamental re-design of the form will be undertaken when the assessment guidelines are simplified, as set out below.

Enhancing the Online Application Process.

The existing online application facility continues to be enhanced to make it more user friendly. For example cardholders can now update information including change of address online. GPs can also change personal details for cardholders online. Each of these enhancements reduces the need for hard copy documentation to be submitted to PCRS.

Development of a Communications Strategy and programme.

The HSE's National Director for Communications is working with the Implementation Steering Group to develop an integrated and comprehensive communications programme for PCRS. This programme is being designed to ensure that all stakeholders including patients, patient advocacy groups, public representatives, primary care contractors and the general media are regularly informed of developments within the Medical Card Scheme.

A senior communications manager has been assigned to support his process.

In April 2012 a briefing document was sent to all Oireachtas Members describing the developments and improvements in the medical card process. A copy of this communication is attached at ***Appendix 3.***

3.3 Improving our processes and structures

Standardising eligibility period

The HSE have introduced new rules standardising the eligibility period for all standard medical cards. For those under 66, this is three years and for people aged 66 years and over this is now four years.

All 16 year old dependants of a medical card holder now automatically receive a medical card in their own right.

Emergency medical cards

A process for issuing emergency medical cards has also been introduced. Examples of the type of emergency envisaged under these arrangements are;

- A person in receipt of palliative care, who is terminally ill
- A homeless person in need of urgent or ongoing medical care
- A person with a serious medical condition in need of urgent or ongoing medical care
- A foster child in need of urgent or ongoing medical care
- An asylum seeker with a serious medical condition in need of urgent or ongoing medical care

No means test applies to an application by a terminally ill patient and all terminally ill patients will be provided with a medical card for a period of six months once their medical condition is verified by a GP or a consultant.

Medical card renewal process

New procedures have been introduced whereby a Medical Card will remain valid, irrespective of the expiry date shown on the card, once the Medical Card holder is genuinely engaging with the HSE review process.

Eligibility can be confirmed by any Doctor or Pharmacist, or by the Medical Card holder online at www.medicalcard.ie or through the GP practice systems. This means that a person can continue to claim free drugs and GP services while they await a decision on their medical card renewal application, by simply using the medical card number.

Furthermore, the HSE has simplified the renewal process for all medical card holders over 66 years irrespective of circumstances, and all medical card holders under 66 years who originally qualified on the basis of a means test only. The change means that reviews for these medical card holders now operate on a self-assessment basis, as currently happens with over 70s. A medical card holder is only required to tick a box and sign a form to confirm that their circumstances have not changed. This new simplified process applies to about 80% of all medical card renewals.

A person who appeals a decision retains their original eligibility until an Appeal decision is reached.

A formal Standard Operating Procedure, including communication process with medical card holders, has been introduced as part of the process to remove card holders from the Register where they are no longer eligible.

Additional flexibility for GPs

In February 2012, the HSE reached agreement with the Irish Medical Organisation (IMO) in relation to new flexibility around reinstating and prolonging eligibility in certain cases. The revised procedures will assist GPs with sensitive renewals and allow for temporary extension of card eligibility where appropriate.

The new procedures allow GPs, in certain circumstances, to extend the period of eligibility where a vulnerable person has been unable to engage with the HSE on the renewal of their application.

It also allows the GP to reinstate eligibility if a patient presents for medical care who has had their eligibility removed in error, e.g. due to a lack of response to the review process because of a change of address.

GPs can also add new-born babies to their GMS list where the baby's parent holds a medical card.

The PCRS has also introduced an online 'change of address' facility.

Revised National Assessment Guidelines

The National Assessment Guidelines are being reviewed and revised with a view to:

- Extending the principle of self declaration as far as practicable
- Reducing the amount of and complexity of supporting documentation required
- Simplifying the means testing process by standardising certain allowances

During the initial phase of the centralisation project, eligibility reviews were carried out in accordance with the National Assessment Guidelines, which sets out the method of assessment of eligibility. This caused difficulty for some clients as the amount of documentary evidence required was significant. The recent review conducted by the HSE indicates that there is significant scope for simplification and standardisation of the of the assessment process, while providing appropriate levels of control. No significant changes to eligibility criteria are planned. It is planned that this work will be completed in July 2012.

Review of PCRS organisation structures

The role and work of the PCRS has expanded significantly over the past two years. The organisation structures and management arrangements in place to support this expanded role are currently being examined. This work will be completed in June 2012.

In this regard the recent appointment of a Head of Customer Services for PCRS referred to above is a critical addition to the PCRS Management Team.

Implementing Scanning and Document Management Systems.

One of the recommendations in the Review report was the introduction of a Document Imaging System. All documentation received by PCRS is on paper. Large volumes of documentation are received by post, opened, filed, sent for processing, reviewed, entered into a system and re-filed. Due to the volumes concerned, (some 10,000 pieces of mail each day), and the absence of scanning technology, document management consumes significant resources.

The document imaging project is essential to addressing the issues arising from the volume of documents that are required to be handled on an ongoing basis and a Request for Tenders has been prepared to procure a scanning and document management system. This project, aligned with some of the other initiatives described above will help to reduce the amount of paper involved in the process and will also contribute to the delivery of a better and more efficient customer service.

3.4 Improving our controls

Current Control Framework

The scale of transactions and payments made by the PCRS requires that a robust framework is in place to balance the need for effective customer focused services, with the necessary 'checks and balances' in respect of the need to safeguard public funds.

The key controls in place include;

- A requirement for applicants to provide evidence of their identity, relevant income and expenditure information or any non standard items presented for consideration.
- Real-time access for the HSE to Department of Social Protection information. This information is used to check, cross reference and verify certain pieces of information presented by applicants.
- Full reviews where appropriate and specifically for clients who received their entitlement as a result of 'discretion'. The purpose of this review is to ensure that they still hold an entitlement.
- A Quality Assurance team who identify cases for review and carry out quality assurance checks.
- Probity audits.
- Controls processes built into IT systems.

There continues to be an obligation on all card holders to notify the HSE of any change in their circumstances which would put them above the medical card income guidelines.

It is also intended under forthcoming legislation to increase the fine applying to making a fraudulent claim on an application for a Medical Card.

Data sharing

Data sharing between the HSE, Revenue, and the Department of Social Protection is an important way of both improving and streamlining processes for service users and for financial control. New legislation is required to facilitate this sharing of information and the Department of Health has confirmed that the required legislation will be put in place.

Review of ineligible or invalid Medical/ GP Cards .

Between July and December 2011, PCRS conducted a case review analysis of all medical cards due for renewal.

Based on the findings of the case reviews, which were referred in the PWC Review Report, the PCRS has commenced a forensic analysis of the medical card register to identify any excess registrations. This work will also develop a risk-based control framework to ensure that appropriate governance and probity measures are in place to control the regularity of medical card issuing.

Review of overpayments to GPs

The Public Accounts Committee has raised the issue of payments to GPs in respect of deceased medical card holders. The HSE has responded to the Committee separately on this matter.

In summary;

- The issue of recouping capitation payments from GPs for deceased medical card holders between the date of death and removal of eligibility was complicated by the lack of a centralised system and ICT solution to adequately and in a timely manner gather information on death events and remove eligibility.
- The issue of capitation underpayments to GPs resulting from delays in registering babies.

Both of these issues have now been addressed following the centralisation of the medical cards system. The HSE has also undertaken a number of additional actions to address the issue of legacy overpayments and underpayments. These include;

- The removal of the names of all deceased medical card holders from the database from date of death notification. Any overpayments are automatically recouped from the date of death to the date of their eligibility being removed.
- GPs now having access to the medical card system which allows them register babies from their date of birth. This ensures that the issue of underpayment to GPs for the period prior to a baby being formally registered is removed.
- A comprehensive analysis of the historical overpayments to GPs referenced by the PAC. This analysis has been completed and the issue of any overpayments will be followed up directly with GPs. The Irish Medical Organisation (IMO) has been advised that this process is underway.

4. Conclusion

The HSE's Primary Care Reimbursement Service (PCRS) continues to provide a wide range of primary care services to the general public, through over 6,660 primary care contractors across 12 community health schemes. These schemes form the infrastructure through which the Irish health system delivers a significant proportion of primary care to the public. Last year the PCRS also handled over 77.9 million transactions in relation to services provided to over 3.6m people in their community by doctors, pharmacists, dentists and opticians, with an associated expenditure of €2.517bn.

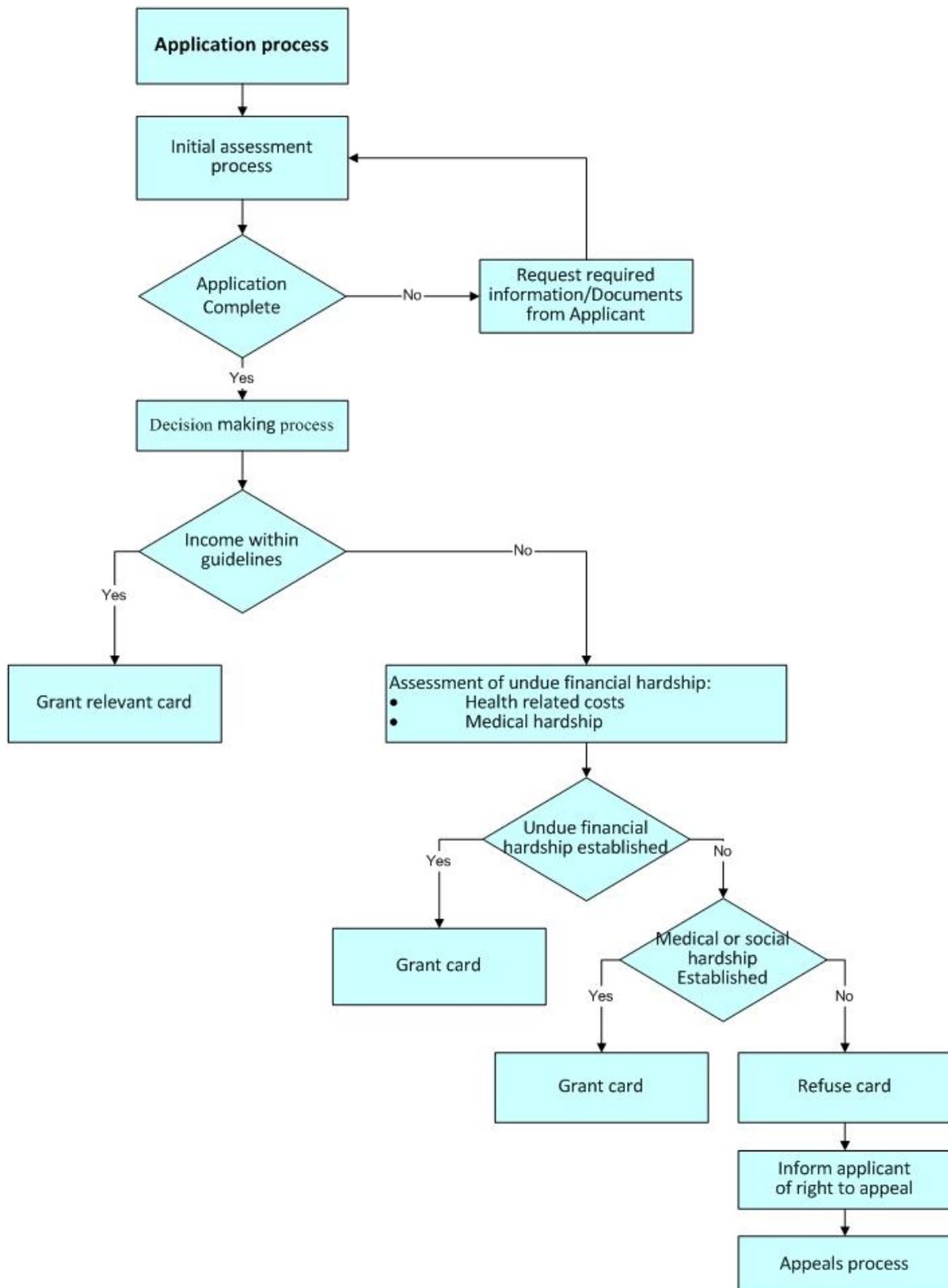
The Medical Card centralisation project has resulted in 94% of complete applications and reviews now processed within the target 15 day turnaround time, along with a significant number of customer friendly initiatives delivered from the project to date. The vast majority of customers are satisfied with our service.

Many of the issues including the applications backlog have been addressed through measures designed to ease the process for customers.

We are confident that the improvement initiatives currently underway will continue to deliver a more streamlined and user friendly service to the public.

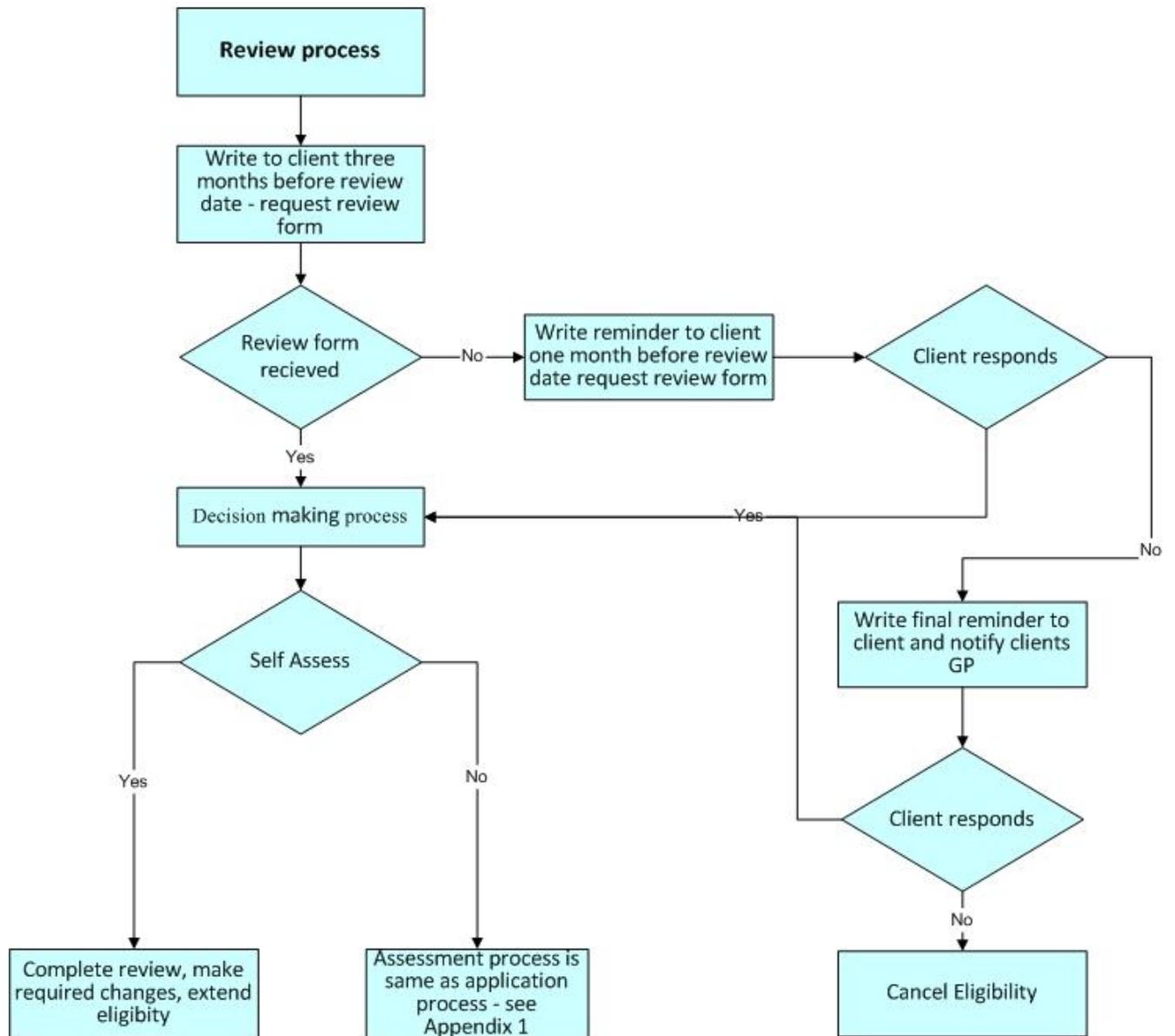
Appendix 1: Process for medical card applications

Appendix 1



Appendix 2: Process for medical card reviews

Appendix 2



Appendix 3: Oireachtas member briefing April 2012



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

Supporting Medical Card applications

Briefing note

April 2012

1. Medical Card applications

This document has been prepared as a briefing note describing the current arrangements in place for processing medical cards.

The processing of Medical Card applications has now been centralised in the HSE's Primary Care Reimbursement Service (PCRS) in Dublin. Applications can be made either online at www.medicalcard.ie or by post, by sending completed applications to the **Client Registration Unit, P.O. Box 11745, Finglas, D 11.**

Application forms for a Medical Card and/ or GP Visit Cards are available online at www.medicalcard.ie or from the HSE's Local Health Centres or Local Health Offices. Members of the public;

- Will find a help sheet in front of their application form, which will assist them in making their application.
- Who have any questions about their eligibility, making their application or who are following up on an application can phone **lo-call 1890 252 919** where a team of people are available to answer their queries or they can contact their Local Health Offices where staff are available to answer queries in relation to the application form or eligibility criteria.
- Who have any difficulties in filling in their form can call into their Local Health Office where local staff there will assist them.

2. Guidelines for Medical Card applications

Medical and GP Visit Cards

All medical card applications are dealt with on the basis of the income guidelines and the "Medical Card/G.P. Visit Card National Assessment Guidelines." These guidelines can be found on the HSE website at:

http://www.hse.ie/eng/services/Find_a_Service/entitlements/Medical_Cards/mcgpvcguidelines.pdf

Medical Cards for those over 70

Medical Card applications for over-seventies are dealt with on the basis of the "Medical Card National Assessment Guidelines for Persons Aged 70 and over." These guidelines can be found on the HSE website at:

http://www.hse.ie/eng/services/Find_a_Service/entitlements/Medical_Cards/o70mcguideline.pdf

It is important to refer to these documents if you are assisting a medical card applicant, but particularly so if a case needs to be made for special circumstances.

Medical Card Turnaround Times Publication

The HSE has arranged for the online publication of the turnaround times for medical card application processing. An initial reporting format has been agreed and is available at www.medicalcard.ie through a simple link called "turnaround times". The link will serve up the PDF document, which will be updated on a weekly basis

3. Ensuring completed applications

One of the main difficulties faced in processing applications is incomplete applications (for instance missing surname, GP details, PPS Number or supporting documentation). It is very important that all details and supporting documentation is included with the application form.

The HSE is in the process of redesigning their application forms and letters and is receiving the assistance of the National Adult Literacy Agency (NALA) in doing so. The new application forms should be easier to complete and will provide much clearer instructions to the applicant in terms of the supporting evidence that is required. In addition, staff in Local Health Offices are available to assist applicants in screening applications before they are submitted or to answer queries in relation to the application form or eligibility criteria.

4. New eligibility rules

Under new rules, the length of eligibility for all standard medical cards for people under 66 is three years, and for people aged 66 years and over is now four years.

Under new rules, all 16 year old dependants of a medical card holder now automatically receive a medical card in their own right. Eligibility is set to the parent's expiry date.

5. Emergency Medical Cards

In cases where a medical card is required in emergency circumstances, an Emergency Medical Card may be issued. Examples of the type of emergency envisaged under these arrangements are;

- A person in receipt of palliative care, who is terminally ill
- A homeless person in need of urgent or ongoing medical care
- A person with a serious medical condition in need of urgent or ongoing medical care
- A foster child in need of urgent or ongoing medical care
- An asylum seeker with a serious medical condition in need of urgent or ongoing medical care

Emergency applications can be initiated through the Local Health Office whose manager has access to dedicated contacts in PCRS. Details of this procedure have been made available to all GPs and the contact information is being reissued this week. Such cards will be issued within 24 hours.

As before, no means test applies to an application by a terminally ill patient and all terminally ill patients will be provided with a medical card number for a period of six months once their medical condition is verified by a GP or a consultant.

In other emergency cases (e.g. where a person in need of urgent medical attention cannot afford to pay for it etc), the HSE issues all Emergency Medical Cards on the presumption that the patient is eligible for a medical card (i.e. that they satisfy the eligibility criteria in terms of a means test or on the basis of undue hardship), and that the applicant will follow up with a full application within a number of weeks of receiving the Emergency Medical Card. As a result, Emergency Medical Cards are issued to a named individual, with a limited eligibility period of six months.

An emergency Medical Card can only be issued to an individual named person, i.e. no dependants will be included unless a case is made separately for any other member of the family on medical emergency grounds.

6. Medical Card Renewals

Every Medical Card shows an expiry date before which the eligibility of the holder is reassessed by the HSE. A letter issues to the medical card holder three months before the renewal date (and again one month in advance of the renewal date). Once reviewed, and eligibility confirmed, the card is renewed.

Under new procedures, a Medical Card will remain valid, irrespective of the expiry date shown on the card, once the Medical Card holder is genuinely engaging with the HSE review process. The medical card holder does not need to take any action other than genuinely co-operate with the review process. Eligibility can be confirmed by any Doctor or Pharmacist, or by the Medical Card holder online at www.medicalcard.ie or through the GP practice systems. This means that a person can continue to claim free drugs and GP services while they await a decision on their medical card renewal application by simply using the medical card number.

Furthermore, the HSE has simplified the renewal process for all medical card holders over 66 years irrespective of circumstances, and all medical card holders under 66 years who originally qualified on the basis of a means test only. The change means that reviews for these medical card holders now operate on a self-assessment basis, as currently happens with over-seventies. It involves the medical card holder ticking a box and signing to confirm that their circumstances have not changed. This new simplified process applies to about 80% of all medical card renewals.

To provide balance to this system, the HSE is in the process of arranging access to data in the possession of the Revenue Commissioners and the Department of Social Protection to allow for a confirmation of income details and to allow them to conduct reviews without troubling medical card holders for further documentation. There continues to be an obligation on all card holders to notify the HSE of any change in their circumstances which would put them above the medical card income guidelines. It is also intended to increase the fine applying to making a fraudulent claim on an application for a Medical Card in a forthcoming Bill. (The fines applying to fraudulent claims have not changed since the original 1970 Health Act)

7. Appeals

Apart from medical card applications and renewals, there is a separate facility for people to appeal a decision to refuse a medical card. These appeals are dealt with in a separate office of the HSE, the Appeals Office. A backlog was developing there so additional staff have been brought in with the aim of clearing these appeals by the end of April 2012. This is progressing well and on time.

A person who appeals a decision retains their original eligibility until an Appeal decision is reached.

8. GPs: Extending the period of eligibility

In February 2012, the HSE reached agreement with the IMO in relation to new flexibility around reinstating and prolonging eligibility in certain cases. The new procedures allow GPs, in certain circumstances, to extend the period of eligibility where a vulnerable person has been unable to engage with the HSE on the renewal of their application. It also allows the GP to reinstate eligibility if a patient presents for medical care who has had their eligibility removed in error, e.g. due to a lack of response to the review process because of a change of address. It also allows GPs to add newborn babies to their GMS list where the baby's parent holds a medical card.

9. Other Steps

Twenty additional staff, reassigned from the Central Statistics Office, have completed training and are now fully operational in the PCRS.

A review is currently being finalised of procedures and processes within the PCRS. This should help identify the reason for the problems with misfiled application forms, repeat additional information requests etc. This will be completed in a matter of days and it is likely that further procedural changes will be made on foot of that.

All of these changes will be incorporated into a revised Medical Card Guidelines document later this year. No significant changes to eligibility criteria are planned.

10. Useful Contacts for:

Medical Card Applicants

- Personal Contact: Local Health Offices or Health Centres.
- Phone: Lo Call 1890 252 919
- Online: www.medicalcard.ie
- Correspondence: HSE, PCRS, CRU Unit, 4th Floor, Finglas, Dublin 11
- Fax: 01 834 3589

Public Representatives

- Dedicated email address: Oireachtas.pcrs@hse.ie
- Dedicated Phone Line: 01 8647180
- Online: www.MedicalCard.ie
- Correspondence: HSE, PCRS, CRM Unit, 4th Floor, Finglas, Dublin 11

Important information to ensure medical card queries are processed efficiently.

The four key pieces of information required to process a query efficiently are:

1. The client's name, address and date of birth, and at least one of the following:
 - The client's current Medical Card number
 - The client's PPS number
 - The client's application reference number
2. Clear details of the information required
3. Your full contact details, including the appropriate contact telephone number and email address, should further clarification on the request be required
4. Where possible, the contact details of the client, should further clarification be required.

Appendix 4 – see separate attachment.