

Joint Oireachtas Committee on Health

February 14th 2018

Opening Statement from ESRI Health Researchers:

Dr Maev-Ann Wren, Senior Research Officer; Dr Conor Keegan, Research Officer

Firstly, we would like to thank the Committee for this opportunity to present on our research. My name is Maev-Ann Wren and I am here in my capacity as Senior Research Officer at the ESRI. I am joined by my colleague Conor Keegan, Research Officer at the ESRI. We are both health economists and are the leading authors of the ESRI research series report *Projections of Demand for Healthcare in Ireland, 2015 – 2030*, which was published last October and which the Chairman Dr Harty has invited us to discuss with the Committee.

This report provides annual projections of demand for public and private health and social care services in Ireland for the years 2015–2030. These projections are based on new ESRI projections for population growth, the first projections to be published based on the 2016 Census. The report contains the most comprehensive mapping of public and private activity in the Irish healthcare system to have been published.

The main findings are that over the years 2015 to 2030:

- The population of Ireland is projected to grow by between 14 to 23 per cent adding 640,000 to 1.1 million people
- The share of population aged 65 and over is projected to increase from one in eight to one in six
- Numbers of people aged 85 and over are projected to almost double
- Demand for health and social care is projected to increase across all sectors, with the greatest increases for services for older people
- Demand for home help care and for residential and intermediate care places in nursing homes and other settings is projected to increase by up to 54 per cent
- Demand for public hospital services is projected to increase by up to 37 per cent for inpatient bed days and up to 30 per cent for inpatient cases.
- Demand for GP visits is projected to increase by up to 27 per cent while demand for practice nurse visits is projected to increase by up to 32 per cent.

New analysis in the report of the mix of public and private provision in 2015 finds that:

- Public hospitals delivered approximately 85 per cent of total inpatient bed days and private hospitals delivered 15 per cent
- Public hospitals delivered approximately 69 per cent of day-patient cases and private hospitals delivered 31 per cent
- People paid privately for 27 per cent of total home help hours

The report also provides projections of demand for inpatient and day cases in public and private hospitals, maternity services, public hospital Emergency Department and Outpatient services, pharmaceuticals, pharmacy consultations, home care packages, public health nursing, and public community therapy services; and includes the effects of unmet need and demand where possible

There are important policy implications from this report's findings of substantial projected demand increases for health and social care in the years to 2030 due to projected population growth and ageing. These projected increases in population and demand come after two decades of rapid population growth, a decade of cutbacks in public provision of care and a consequent build-up of unmet need and demand for care. The additional demand projected in this report for the years to 2030 will give rise to demand for additional expenditure, capital investment and expanded staffing and will have major implications for capacity planning, workforce planning and training. Additional investment will be required in most forms of care to meet the needs of a rapidly growing and ageing population. The projected population growth will, however, also increase numbers at work and contribute to national income and the revenue base.

Future ESRI analysis will examine the expenditure implications of this report's demand projections. While this report assumes no change in models of care, further research is examining the potential effects of policy developments which could reduce projected increases in demand and capacity need in some sectors but increase projected demand and capacity need in others.

This is the first report to be published applying the Hippocrates projection model of Irish healthcare demand and expenditure which has been developed at the ESRI in a programme of research funded by the Department of Health. The programme applies economic analysis to explore issues in relation to health services, health expenditure and population health, to inform the development of health policy and the Government's healthcare reform agenda. The programme is overseen by a Steering Group comprising nominees of the ESRI and the Department, which agrees its annual work programme. Research studies produced in the programme are public goods which are published following national and international peer review.

The full report has been circulated to the Committee and is available on the ESRI website:

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