

Core Functions of the Health Service Report

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1. Government Decision

The Government Decision¹ on the Structural, Organisational, Financial Management and Systems Reform of the Health Sector of June, 2003 acknowledged that in order to increase the effectiveness of the health service generally, and its capacity to deliver the reform agenda, it was important that the service was fully concentrated on addressing its core health objectives. The Minister for Health and Children and Minister for Finance felt that there could be scope to transfer certain functions out of the health service and locate them more appropriately within other functional areas of Government.

As part of the overall decision, it was agreed that a working group would be established, to include the Departments of Health and Children, Finance and An Taoiseach, to examine the scope for transfer of certain activities to other, more appropriate, Departments and agencies and that on completion of this review, the Minister for Health and Children would bring proposals to Government.

2. Background

The Commission on Financial Management and Control Systems in the Health Service (Brennan Report) noted that over the years the health system had been assigned responsibility for a number of what might be regarded as non-core health activities (income support, environmental health, food safety, etc.). The Commission emphasised the importance of the health service concentrating on core health activities given the very substantial reform agenda now being undertaken. It recommended that the Government consider assigning non-core activities currently undertaken by agencies within the health service, to other bodies and the Government agreed “to examine the scope for transfer of certain activities currently conducted by the health services to other, more appropriate, Departments and agencies”.

3. Review Group

The Interdepartmental Review Group was established in September, 2003 and consisted of :-

Mary Doyle, Assistant Secretary, Department of An Taoiseach
Michael Scanlan, Assistant Secretary, Department of Finance
Frank Ahern, Assistant Secretary, Department of Health and Children

Secretariat :- Simonetta Ryan, Principal Officer, Department of Health and Children;
Geraldine Fitzpatrick, Principal Officer, Department of Health and Children

¹ S22485H

4. Terms of reference

Phase 1: To examine the core functions of the health system and make an initial assessment of the functions that are currently funded and administered from the health budget which might be suitable for transfer to other areas of Government.

Phase 2: On a case by case basis, in consultation with possible receiving Departments, to give detailed consideration to the appropriateness and feasibility of transferring functions identified in Phase 1. On that basis, to make recommendations as to the functions which should be transferred out of the health area, the areas to which they should be transferred, the timing of such transfers and to identify any associated legislative, industrial relations and resource implications.

5. Approach

The Group agreed at its initial meeting that it would assess issues in terms of

- better delivery of public services on the ground and
- value for money.

6. Initial Assessment of Functions

The Department of Health & Children and the health services have a range of functions which go beyond the health services and improving the health of the population. There is a view that the range of services being delivered by the health system dilutes the capacity of that system to focus on health service delivery, i.e. dealing with illness and improving the health status of the population.

Initially it was recognised that there were in effect two key questions to be considered by the Group.

1. Whether there was a case to be made in principle to separate the functions of health and social services.
2. What existing functions would be suitable for transfer to other areas of government or consolidated within the Department of Health and Children/health service.

By the end of 2003, the Group had completed its initial assessment of functions which might be suitable for transfer to other areas of Government. These functions included income support, the General Registrar's Office (GRO), housing, food safety, some environmental health issues and dental services.

An Interim Report was submitted to the Secretary General of the Department of Health and Children on the 20th November, 2003. In this report, it was recognised that the area of social services (defined below) was complex and the group therefore commissioned research on international practice in this regard. A summary of the findings of this research is contained in section 7 below.

Phase two of the project encompassed a more in-depth consideration of the area of health and social services and discussions with the Departments identified as stakeholders in the functional areas identified as suitable for transfer or consolidation.

7. Health and Personal Social Services

‘Personal Social Services’ refer to those social services which essentially entail a personal relationship between client and provider² as opposed to say social welfare benefits. The sub divisions are social work services, services supplementary to family care (domiciliary care such as home helps, child care workers with families), day care, and alternatives to family care (adoption, fostering, institutional care).

Personal social services might be considered as separate from health services to the extent that they are aimed at improving the quality of life of individuals and families and assisting them to achieve their full potential. However, when this is set in the context of care groups (broadly the elderly, persons with a disability and children) the distinction is not so easily made. Care for these groups (particularly the elderly and those with a disability) is a continuum linked to the level of dependency ranging from home help to institutional care and with potentially significant medical intervention.

In Ireland, social services are embedded in the health services at local level. An integrated approach is provided by the Community Care teams in the thirty-two community care areas.

The Group met informally with practitioners and senior officials. Key factors which would bear heavily on better service delivery and value for money were identified as the availability of an alternative infrastructure to deliver the service and the possible disruption to service which would arise in the context of any transfer of responsibility.

The Group commissioned a short piece of research from the Department of Social Services TCD in relation to practice internationally in the administration of health and social services.

The research was carried out by Dr. Virpi Timonen from the Department of Social Studies, TCD. The report “Health and Social Services – Integration vs. Division of Management, Delivery and Funding” contained an analysis of the organisational structure and management, delivery and financing of health and social services in six administrations. Because of the short time allowed, and the limited number of the countries chosen, the study was only able to draw general conclusions but they were considered by the group to be sufficiently clear to determine a direction in this area.

The report noted that the separate development of these two systems is a constant across all the countries studied; health and social services systems have developed within different organisational structures and with different professional providers. The report argues that co-ordination of health and social services is highly desirable from the point of view of service users and that such co-ordination is more easily achieved in systems that concentrate responsibility in one central authority and

² NESCS Report Community care Services: an overview 1987

delivery at one level of government. However a variety of mechanisms can be used to improve co-ordination where such concentration of responsibility and delivery is not possible and the report identified and elaborated on the factors which it considered facilitated co-ordination of health and social services, namely

- Overall responsibility for both health and social services resting with one government department
- Coterminal boundaries of health and social service authorities
- Strong role of local government
- Provision of financial and other incentives to facilitate the smooth and fast transfer of clients from health to social services, or vice versa
- Professionals or groups which serve to bridge social and health services
- Programmes and service centres that help overcome organisational and service delivery fragmentation.

The report notes that there appears to be widespread consensus over the desirability of integrated delivery of health and social services. Integration of organisation and management of health and social services, while not strictly speaking a prerequisite for integrated delivery, is extremely helpful when attempting to guarantee integrated delivery, and does not alone constitute a guarantee of successful integration.

Recommendation

In the light of its discussions with practitioners and the research findings, the Group considers that there is no case to be made to divide or alter the current integrated approach to the provision of health and personal social services.

8. Functions suitable for transfer from the Department of Health and Children or consolidation within the Department

(a) Income support and maintenance - Community Welfare Officers

There are a number of income support and maintenance schemes being administered and/or funded through the health services which are more welfare supports than personal social services. There is an overlap in responsibility between the Health Services (and the Department of Health) and the Department of Social and Family Affairs in relation to these schemes. Community Welfare Officers employed by the Health Service Executive (HSE) administer a number of schemes which are both regulated and funded by the Department of Social and Family Affairs such as:

- Supplementary Welfare Allowance (SWA)
- Rent Supplement
- Mortgage Interest Supplement
- Exceptional and Urgent Needs Payments

In addition the Community Welfare Officers administer a number of payment schemes funded by the HSE such as:

- Blind Welfare Allowance
- Domiciliary Care Allowance (normally the forerunner to Disability Allowance which is administered by the Department of Social and Family Affairs) and
- Mobility Allowance (linked to Domiciliary Allowance).

It was considered likely that a more uniform approach to benefits in terms of eligibility and means testing could operate if responsibility for all aspects of these schemes lay with one agency. It should improve the service for customers by combining payments and supplements in one cheque for example, and reducing the number of visits to different offices to claim benefits. It should also improve value for money to the Exchequer as the combined schemes could be administered more efficiently by a single Agency.

Previous reports have recommended that the administration of SWA be moved from the health boards (now HSE) to the Department of Social and Family Affairs (Report of the Commission on Social Welfare, 1986) and a review of Supplementary Welfare Allowances (Combat Poverty Agency, 1991). The 1998 Value for Money Examination by the Comptroller and Auditor General³ stated that *“The involvement of two departments in the delivery of SWA uses the resources of the community welfare service to achieve the objective of local delivery but complicates the co-ordination of the scheme.”* It also concluded that there had been significant change in demand for SWA since its introduction in 1977 and that the Department [of Social and Family Affairs] could have better managed the changes in demand and consequent adverse impact on the delivery of non-financial supports by transferring the administration of some or all of the entitlement-based payments from the health boards to the Department.

The objective of the service is to relieve social distress and where possible to prevent its recurrence. It assists persons with financial and related difficulties. The Community Welfare Officers have the authority to make flexible, discretionary payments and therefore play an important role in addressing cases of immediate and urgent need. It will be important that this role is maintained in any transfer of responsibilities. The latest figures available on the number of CWOs in Ireland are from the Health Board Personnel Census – 2003 and are whole time equivalents.

Community Welfare Officers – 574

Superintendent Community Welfare Officers – 45.

The total cost for these grades in 2004 is estimated at €28,109,541.

The Department of Social and Family Affairs also funds some 150 clerical support and other posts in Community Welfare Service in relation to the administration of SWA and contributes to accommodation costs and other overheads. The total funding provided to health boards by the Department of Social and Family Affairs re SWA administration in 2004 was €45m.

³ The Administration of Supplementary Welfare Allowances; Report No. 23; June, 1998

Recommendation

The Group considers that responsibility for the Community Welfare Service should be transferred from the Department of Health and Children to the Department of Social and Family Affairs. This would mean that the agency which now has responsibility for funding the service would also have responsibility for delivery of the service. It would also facilitate a more coherent delivery of service to the end users of the service. The Department of Social and Family Affairs would agree in principle with the conclusions of the Group. They point out, however, that the proposal would have major implications for the delivery of the Department's existing services which would have to be addressed and that the organisational, human resource and IR implications of the transfer proposals are likely to require detailed and lengthy negotiation. The Department considers that in the event of a Government decision in principle on the transfer, a task force comprising all of the various interests involved should be put in place to identify all of the implications and devise an implementation programme to effect the change.

(b) General Register Office

The General Register Office (GRO) is currently part of the Department of Health and Children. It has a staff of approximately 96 whole time equivalents and the current pay cost is €3.2m.

The provision of a civil registration service is not a core function of the health services or the Department of Health and Children. It could also be argued that the pressure on the Department in relation to the health services made it difficult to focus on this service in the past. The modernisation of the service has had significant support from the Department of Social and Family Affairs and its success will be an important contributor in enhancing services from that Department. The modernisation programme is almost completed along with the decentralisation of GRO to Roscommon. Post modernisation the staffing complement of the GRO will be reduced to 60 whole time equivalents. This may, therefore, be an appropriate time to transfer the function to another agency. The modernised civil registration system has close links with the Department of Social & Family Affairs in establishing and maintaining a person's public service identity and the sharing of life event data with other Government Agencies.

The group had discussions on this matter with the Department of Social and Family Affairs.

The Department pointed out that the Departments of Finance and An Taoiseach are currently working on proposals relating to identity management and the structures which would be required to implement them. One possibility that will be considered in that context is that GRO functions and the identity related functions carried out by the Department of Social and Family Affairs could be merged in a single new agency. Any proposals in this regard will require detailed consideration before going to Government.

The DSFA agrees that the GRO functions could best be undertaken by an organisation under its aegis. However it has serious concerns that the GRO, as currently structured, is not adequately resourced to deliver on its current plans. This resourcing issue and the

general identity management issues referred to above need careful consideration. DSFA consider that, in the event of a decision to transfer the functions, an interdepartmental group should be set up to develop detailed plans for the transfer. This Group would identify and develop action plans around the organisational, HR and technical and resourcing issues prior to transfer. In this context, regard should be had to the work currently being undertaken under the SAFE (Standards Authentication Framework Environment) initiative between the Departments of Finance and Social and Family Affairs.

Recommendation

The group recommends that responsibility for the General Register Office transfer from the Department of Health and Children to the Department of Social and Family Affairs. The Department of Social and Family Affairs supports in principle this proposal but proposes that an interdepartmental group chaired by that Department and involving the Department's of Health and Children, Taoiseach and Finance be set up to address the organisational, technical and resourcing issues involved, and to develop detailed plans for the transfer of functions, to address the wider implications for identity management generally and to report back to Government prior to the revised arrangements being put in place.

(c) Housing

The Special Housing Aid for the Elderly (SHAFE) scheme is a lottery funded scheme which has grown from a small base to an allocation of €1.6m for 2004. It is administered by the HSE who either contracts the work itself, through FAS, or grant aid individuals to contract the work. It is not a demand led scheme. The provision of housing is not a core function of the health services and the Group considers a more integrated service and better value for money may be achieved by transferring responsibility for this scheme to the local authorities who are already responsible for housing including the Essential Repairs Grant and Disabled Persons Housing Grant. Public Health Nurses and other health professionals provide an informed and informal referral source locally and it would be important to ensure that this role was not diluted in the event of the function being transferred.

The group had discussions on this matter with the Department of Environment, Heritage and Local Government. The Department of Environment, Heritage and Local Government indicated that it would be prepared to accept the transfer of the SHAFE scheme from the Department of Health and Children on the basis of continued funding and involvement of the HSE's regional health offices.

Recommendation

That responsibility for the SHAFE scheme be transferred to the Department of Environment, Heritage and Local Government. The Department of Environment, Heritage and Local Government is agreeable to this proposal.

(d) Dental Treatment Scheme

The Dental Treatment Scheme for medical card holders is funded and administered through the HSE at a cost of €50m a year. The Department of Social Community & Family Affairs operates the Dental Treatment Benefit Scheme for PRSI contributors at a cost of €20m a year. The fact that responsibility for these schemes rests with two departments has caused difficulties in the past. There is a strong argument for assigning responsibility to a single organisation as this could achieve a more coherent approach.

In addition to dental services, aural and ophthalmic services are also covered by schemes in both Departments. In the Department of Social and Family Affairs these services form part of the Treatment Benefit Scheme and in the HSE are dealt with by way of separate schemes under the Primary Care Re-imbursement Service (formerly GMS). However in the case of aural and ophthalmic services, the effect of the government funded benefit schemes on overall pricing or distortion of pricing on these services is not as prevalent as it is in the dental area.

There have been preliminary discussions with the Department of Social and Family Affairs regarding the possibility of transferring responsibility for the Dental Treatment Benefit Scheme from the Department of Social and Family Affairs to the Health Sector.

Recommendation

That the Dental Treatment Scheme remains in the Health Sector and the mechanics of transferring the Dental Treatment Benefit Scheme to the Health Sector should be considered. Furthermore, the implication of transferring the remaining aural and ophthalmic schemes needs to be examined.

(e) Cruelty to Animals

Administration of the Cruelty to Animals Act in regard to scientific experimentation is currently the responsibility of the Department of Health and Children. The present arrangement is the result of prolonged discussions over a two year period between the Food and Safety Authority of Ireland (FSAI), Department of Agriculture and Food, Department of Health and Children and Department of Finance which have just been concluded. These arrangements should be tested in practice before further changes are made to the administration of the service. The alternative of subsuming the Local Authority Veterinary Service work relating to abattoirs into the Department of Agriculture and Food would have difficult Industrial Relations implications and would risk lessening the priority given to the service – with the attendant risk of gaps in the inspection of local abattoirs and meat plants.

Furthermore, as the FSAI have previously been and would continue to be involved in the administration of this service in any case and having regard to the minimal resources required from the Department of Health and Children (a relatively low proportion of the workload of one AP and one EO), it would seem that the current arrangements do not significantly detract from the focus of the Department on its core functions.

Recommendation

That the administration of the Cruelty to Animals Act regarding scientific experimentation remain with the Department of Health and Children for the time being.

9. Implementation

The Group considers that if the recommendations outlined above are implemented they will contribute to the overall effectiveness of the functions identified and lead to a better quality of service for the customer. It should also enable the Department of Health and Children and Health Service to concentrate on core business in line with the Government Decision on health reform.

The Group recognises that there are considerable administrative and industrial relations issues to be resolved before these recommendations can be implemented. It is evident that the bulk of the transfer of functions will happen between the Department of Social and Family Affairs and the Health Service. To this end, the Group recommends the establishment of a Working Group to consist of the Department of Social and Family Affairs and the Department of Health and Children to progress implementation. The Working Group can invite representatives of the other affected agencies to attend as required and will be accountable for the outcome of the recommendations.

The Group further recommends that this report be submitted to Government for approval and adoption.

10. Recommendation Summary

The following are the composite recommendations regarding the functional allocations being recommended by the Interdepartmental Review Group.

1. Health and Personal Social Services should not be separated.
2. Income Support and Maintenance schemes, together with associated resources, should be transferred to the Department of Social and Family Affairs
3. General Register Office (GRO) should transfer to the Department of Social and Family Affairs
4. Special Housing Aid For the Elderly (SHAFE) scheme should transfer to the Department of Environment, Heritage and Local Government
5. The mechanics of transferring the Dental Treatment Benefit Scheme from the Department of Social and Family Affairs to the Health Sector should be examined. The implication of transferring aural and ophthalmic services also needs to be examined.
6. The Administration of Cruelty to Animals Act (scientific experimentation) should remain with the Department of Health and Children.
7. A Working Group consisting of the Department of Health and Children and Department of Social and Family Affairs should be established to proceed with implementation.
8. This report should be submitted to Government for approval and adoption.