



14th April, 2022

Deputy David Cullinane
Dáil Éireann
Leinster House
Dublin 2

PQ12838/22 *To ask the Minister for Health the total cost to the State of providing private healthcare in public hospitals; and if he will make a statement on the matter. -David Cullinane

Dear Deputy Cullinane,

I refer to the my response to the above PQ of 30th March and wish to advise you that, the National Finance Division and the Healthcare Pricing Office has now provided the requested information. I am advised that the estimated cost to the taxpayer of treating private patients in public hospitals was €37m in 2019. These figures relate to the 39 acute hospitals which were at the time within the scope of activity based funding as detailed costings at the specialty level are available for these hospitals. These hospitals account for >90% of acute hospital activity in Ireland.

The estimated cost to the taxpayer of treating private patients in public hospitals was €29m in 2020 (the latest full year for which all of the relevant information is available). An estimate is not yet available for 2021. These figures relate to the 42 acute hospitals which are currently within the scope of activity based funding as detailed costings at the specialty level are available for these hospitals. These hospitals account for >90% of acute hospital activity in Ireland.

These estimates are calculated by:

1. Identifying, from the HIPE system, the number of bed days relating to the treatment of private patients in each public hospital.
2. Estimating, from the hospital specialty costing returns, the per-diem cost of treating those private patients in each public hospital excluding consultant salaries.
3. Calculating the estimated total cost of treating private patients in each public hospital by multiplying the estimated per diem costs by the total number of bed days.
4. Summing the estimates to get a total for all hospitals.
5. Estimating the income generated from treating private patients in public hospitals taking into account the treatment setting (inpatient vs daycase), ward type (single occupancy vs multiple occupancy) and the category of hospital.
6. Subtracting the total estimated income from the total estimated cost to arrive at the final estimates for the cost to the tax payer.

I am advised that the following points should be noted as they are important in respect of the basis of the calculations:



- Each of the steps described above is carried out separately for inpatient and daycases and the values are summed in the final step to get a combined estimate.
- The HIPE system is not a billing system and the data captured therein can only be interpreted as being an approximation of the actual income relating to the treatment of private patients in public hospitals.
- The 2020 calculation is based on 2019 costs with inflation set at 4.5% as the COVID19 pandemic had a significant impact on hospital costs.
- People receiving treatment for prescribed infectious diseases such as Covid-19 cannot be charged.

I trust this is of assistance to you.

Yours sincerely,

A handwritten signature in blue ink that reads 'Carol Ivory'. The signature is written in a cursive style and is positioned above a horizontal line.

Carol Ivory
General Manager
Acute Operations