

Oifig an Stiúrthora Náisunta Cúnta, Seirbhisí do Dhaoine Scothaosta – Rochtain & Comhtháthú

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27th May 2025

Deputy Mark Wall, Dáil Eireann, Leinster House, Kildare Street, Dublin 2.

Dear Deputy Wall,

The Health Service Executive (HSE) has been requested to reply directly to you in the context of the following Parliarmentary Question, which was submitted to this Department for response.

## PQ: 26741/25

To ask the Minister for Health the means by which the authorisation scheme charge out rate for overnights was arrived at a figure below that of a daytime rate; to explain how the HSE allocate a charge out rate for an overnight rate below that of the previous Tier 1 tender and below that of the current daytime hourly rate for a premium awake overnight service; and if she will make a statement on the matter. -Mark Wall

Home Support Services (HSS) are an important component of the provision of service to older people with assessed needs and to support them in their choice of living in their own home and community. The HSE, working within its available resources, has sought to maintain and when possible, expand the range and volume of services available to support people to remain in their own homes, to prevent early admission to long term residential care and to support people to return to their homes following an acute hospital admission.

Home Support services for Older People are provided either by directly employed staff or by voluntary and private Providers who have formal service arrangements with the HSE to deliver the services. The type of support provided includes personal care and, where appropriate, essential household duties relating to the service user's assessed needs.

In 2023, the HSE completed a tendering process and established the Home Support Authorisation Scheme (AS) for the provision of HSS, commencing in August 2023. The AS model is open-ended-therefore new entrants to the market may apply to join periodically.

Under the previous competitive Tender, rates varied from one organisation to another and across the Health Regions. In establishing the AS the HSE sought to establish a fixed price mechanism and address legacy rates, to standardise rates payable to Approved Providers across the Health Regions. It should be noted that overall rates for Providers have increased significantly in recent years. The 2018 Tender Framework for the provision of Home Support services was initially valid for the period 1<sup>st</sup> of September 2018 to 31<sup>st</sup> of December 2020. The HSE extended the framework by two 12-month extensions. These extensions resulted in an increase in rates of 2.5% in 2021 and 5% in 2022 and was further extended at the end of 2022, with a corresponding rate increase of 2.5%.

Initial Department of Health approval and the application of the Authorisation Scheme core hourly rate of €31 was subject to the advancement of sectoral reform. The applicable rates came into effect on the 14<sup>th</sup> of August 2023 and applied to new and existing business delivered under the AS, thereby addressing the legacy rates issue. This new Rate was subject to a number of significant reforms to improve the terms & conditions of workers as recommended by the Strategic Workforce Advisory Group to include remuneration for travel time and payment of the living wage.

The rate of  $\in$ 31 for indirect core hours (60 minutes/ Mon- Sat/ 8am – 10pm) resulted in an average indirect rate of approximately  $\in$ 33.84 per hour in 2023. The average rate includes the effect of premium hours (Sun/ PH), night rates, 30-minute calls. For example, a 30-minute call is paid at 70% of the core rate, and not at the core rate divided by two. As indicated above, under previous Tenders applicable Rates varied from Provider to Provider and this variance extended to overnight Rates with an expected span in the range given individual Tender applications. The initial AS Monday to Saturday core overnight rate of  $\in$ 26.39 applied whereas  $\in$ 32.13 per hour applied to non-core Sunday & Bank Holidays overnights.

Providers were afforded a lead in time to consider the terms and conditions of the Scheme, including the applicable Rates, in advance of signing up to the Authorisation Scheme. The initial 12-month Service Arrangements for those appointed to the Scheme from 14<sup>th</sup> of August 2023 to 13<sup>th</sup> of August 2024 were extended for a further 12-month period to 31<sup>st</sup> of August 2025 with a corresponding 1.5% rate increase to all applicable Rates. It should be noted that all Approved Providers have accepted the extension period and the associated rate increase. Furthermore, the HSE issued a Contract Renewal Offer 2<sup>2nd</sup> May to all Approved Providers on the Scheme with a 4% proposed increase on all Rate(s) applicable from 1<sup>st</sup> September 2025.

The Standard Operating Procedure is available at: <u>https://www.hse.ie/eng/services/list/4/olderpeople/service-arrangement-documents.html</u>

The HSE is committed to ensuring services are delivered in a sustainable, equitable, and high-quality manner across the Regions and values and appreciates the continued contribution by all Approved Providers appointed to the Scheme in delivering such services to all those who require Home Support Services.

Yours sincerely,

Kathleen Jordan Head of Service Services for Older People, Access and Integration