
Minute of the meeting of the

Board of the Health Service Executive
on
Thursday, 15th January 2009

Members present: L. Downey (Chairman), N. Brennan, B. Drumm (CEO), D. de Buitleur, P. Farrell, PJ Fitzpatrick, M. Gaffney, E. McCague, J. Mooney, A. Scott and W.O'Reilly

Apologies: None

Attendees: D. Purcell, Secretary to the Board

Joined the meeting: S. McGrath, L. McGuinness, A. Doherty, L. Woods, B.Gilroy and D. McCallion

Time & Location: HSE Offices, Adelaide Road, Dublin at 8.00 a.m.

Item	Discussion / Comments	Action
1	Minutes of the previous meeting	
	The minutes of the meeting held on the 11 th December 2008, were agreed.	
2	Matters arising from minutes	
	The action points from the previous meeting were reviewed and noted. No other matters were raised.	
3	Report from CEO	
	<p>The CEO spoke to his monthly report to the Board.</p> <p>The following items from the report were discussed; progress on the implementation of the Consultants' Contract 2008 including the establishment of Clinical Directorates; Pharmacy Services, in particular the judgement on 19th December 2009 in the Hickey case and the implementation from the 1st January 2009 of the second phase of the price reductions for patent-expired drugs under clause 6 of the IPHA agreement; the National Audit of Catholic Church Dioceses compliance with the recommendations in the Ferns Report and the review on the compliance by the Diocese of Cloyne with the child protection guidelines.</p> <p>The CEO also informed the Board that the Considine Report on the review of the financial controls in the HSE had been completed and considered by the management team. It was agreed that this report would be referred to the Audit Committee for consideration at its meeting on 23rd January 2009.</p> <p>The CEO and Chairman then reported to the Board on the issues discussed at the January 2009 monthly meeting with the Secretary-General and Minister for Health and Children.</p>	
4	Reports from Committees of the Board	
	<p>Remuneration and Organisational Committee meeting, 9th January, 2009.</p> <p>The Chairman of the Remuneration and Organisational Committee, D. de Buitleur reported on the issues considered at the Committee meeting held on the 9th January 2009. The Committee had considered progress on the organisational modifications under consideration, in particular the proposed regional operating units to support integrated service delivery and an outline of a proposed management model below regional level. Senior officials from the Department of Health and Children and Mr. John Fitzgerald former</p>	

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	<p>Dublin City manager had engaged with the Committee to consider this matter. The actions to be undertaken by management following the meeting are covered by agenda item 6. The Committee had also been informed by the CEO that a person had been recommended for appointment as Director of ICT. In addition, as part of the organisational changes at senior management level, the Estates, ICT and Procurement Directorates will be streamlined to report within a single National Directorate structure.</p> <p>Risk Committee meeting, 14th January 2009 The Chairperson of the Risk Committee, Professor A. Scott, reported on the on the issues considered at the Committee meeting on the 14th January 2009. She mentioned, in particular, the update provided by the Serious Incident Management Team on its work plan and the status report on action plans to mitigate corporate risks. The Committee had also considered the monthly progress report from the Office of Quality & Risk and discussed in particular the arrangements to identify and train staff to carry out the health care audits in 2009.</p> <p>Following a discussion the Board noted the Committee reports.</p>	
5 Performance Monitoring Report		
	<p>L. McGuinness, A. Doherty, L. Woods and S. McGrath joined the meeting for consideration of this item.</p> <p>L. Woods reported to the Board on activity levels, and the HR and finance position, as set out in the November 2008, Performance Monitoring Report and the vote expenditure position to 31st December 2008. He reported that the vote return for December 2008 shows the delivery of a balanced vote for 2008.</p> <p>The Board welcomed the achievement by management of a balanced vote for 2008 and employment controls within the approved allocation, while delivering on or ahead of target in the major areas of service delivery.</p> <p>S. McGrath reported that a new HR resource allocation model is being finalised and this will be submitted to the Board when completed.</p> <p>2009 Financial Allocations: L. Woods confirmed to the Board that budgets for 2009 have issued to Directorate level and would issue imminently to HSE granted agencies. He also reported on the estimated budgetary impact of the financial risks identified in the Service Plan 2009 in relation to three issues: the Hickey case arrears, the over 70's medical card and wholesale costs for community drug schemes. These are estimated at €200 million annually. He tabled at the meeting measures to reduce the non-fixed elements of pay to avoid any knock on effect of these extra costs on service provision later in the year.</p> <p>Following a discussion on the proposed actions, the Board emphasised the need to ensure measures are focussed on non-frontline services to the greatest extent possible. The Board endorsed the measures targeted to reduce non-fixed pay costs in order to achieve the necessary additional savings while ensuring the service levels in the Service Plan 2009 can be delivered within budget. The Board noted that a dialogue will now be entered into with the Department of Health and Children on the proposed measures.</p>	S. Mc Grath
6 Organisational change programme – Integrated Care Structures		

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	<p>D. Mc Callion joined the meeting for consideration of this item.</p> <p>S. McGrath provided a verbal update to the Board on the work that is on-going at management level on the implementation of the organisational modifications designed to support greater integrated service delivery. He mentioned, in particular, that Stage II, which is the detailed design and implementation planning has commenced and outlined to the Board the key deliverables from this stage which are scheduled to be completed by April 2009. He also informed the meeting that the appointment of a head of legal services was being progressed with the Department of Health and Children and the Department of Finance.</p> <p>He also outlined the key issues identified at the meeting of the Remuneration and Organisational Committee on the 9th January 2009 which required further consideration. The issues included the finalisation of work to determine the optimum arrangements for regional operating units including defining their areas.</p> <p>Following a discussion, the Board noted the progress being made and that the Remuneration and Organisation Committee will continue to engage with management and Department of Health and Children on this work. A further report will be provided to the Board at the February 2009 meeting.</p>	<p>S. Mc Grath</p>
7 Property Transactions		
	<p>B. Gilroy joined the meeting for consideration of this item. He reported to the Board that the dialogue process has concluded for a second tranche of tenders to supply accommodation to the HSE for primary care centres. This involves a further 44 locations where preliminary negotiations have concluded and GP participation together with value for money analysis has been achieved. He outlined the offers which have been received and confirmed to the Board that the pricing model is re-checked and reassessed on a quarterly basis to ensure it is in line with market values.</p> <p>The Board requested that a briefing paper would be provided for the February 2009 Board meeting outlining the value for money being achieved from these transactions and setting out the revenue funding streams for the primary care centres being progressed in 2009.</p> <p>L. McGuinness informed the Board that an evaluation of the impact/effectiveness of the primary care team model is being carried out through the Population Health Directorate. Results of this assessment would be brought to the Board when finalised.</p> <p>Following the discussion, the proposals for the lease arrangements for the 44 property transactions was proposed by D. de Buitelir, seconded by W. O'Reilly and agreed (HSE Board Decision No. 15.01/(01)/2009).</p>	<p>B. Gilroy</p> <p>L. Mc Guinness</p>
8 Regulation of Medical Consultant Appointments		
	<p>S. McGrath spoke to the briefing paper which had been circulated prior to the meeting on the regulation of consultant appointments within the HSE. He confirmed that authority to regulate consultant appointments has been delegated from the CEO to the National Director of Human Resources. An internal management committee is in place to advise on the regulation of consultant posts. As part of the management process proposals for medical consultant appointments must be approved at National Director level rather than at Assistant National Director level as was previous practice.</p>	

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	<p>Following a discussion the Board noted the arrangements currently to regulate medical consultant appointments and that the Consultant Contract 2008 provides for the establishment of a Consultant Applications Advisory Committee (CAAC). The CAAC will advise to the HSE on applications for, and qualifications for, medical consultant posts. The process to establish the CAAC is expected to be initiated during February 2009. The Board stressed that the Committee should adopt robust procedures to deal with any actual or perceived conflicts of interest in its operation and recommended that its membership include independent members to represent the public interest.</p> <p>The Board requested that the terms of reference and functions of the Committee, as provided in Appendix IX of the 2008 Consultant contract agreement, be circulated for information purposes and that this matter would be on the agenda for the May 2009 Board meeting.</p>	<p>S. Mc Grath</p> <p>Secretary</p>
9	Review of Provider Contract agreements - GP and Pharmacy	
	<p>L. McGuinness spoke to the briefing note on contactor provided services (GP and Pharmacy) which had been circulated prior to the meeting. She confirmed that the HSE has undertaken significant preparatory work for the development of new contractual arrangements with General Practitioners and Community Pharmacists. The review of the GP contract has, however, been subject to a number of unforeseen delays since its inception and it is currently on hold pending a definitive clarification on complex legal matters. In relation to the Community Pharmacy Contract, she informed the Board that the Minister for Health and Children has indicated her intention to initiate a consultation process under Article 12 of the contract. The outcome of the consultation process must be awaited before finalising a new contract. In the meantime the HSE is continuing to undertake as much further preparatory work as is possible.</p> <p>Following consideration of the current position on the reviews of contract agreements, the Board noted that the HSE, as a party to the individual contractual arrangements and as the statutory authority with responsibility for the delivery of health and personal social services in this State, has very limited powers in terms of amending/ altering both fee and non fee aspects. The Board recommended that the Chairman should raise this issue with the Minister for Health and Children so that it can be addressed in the context of the current contract reviews.</p>	<p>Chairman</p>
10	Any other Business	
	<p>No matters were raised under this item.</p>	

The meeting concluded at 1.35pm

Signed:

Date:

Liam Downey,
Chairman