



General Medical Services
(Payments) Board



Report for the year ended 31st December 2001



Raven House, Finglas, Dublin 11.

Tel: (01) 834 3644 Fax: (01) 834 3589

Email: chief_officer@gmspb.ie Website: www.gmspb.ie

Contents

<i>The Board</i>	4
<i>Community Based Services - Payment Arrangements</i>	6
<i>Chairman's Statement</i>	8
<i>Review and Outlook</i>	12
<i>Summary Statement of Activity During the Year</i>	18
<i>The Year 2001</i>	19
<i>Number of Agreements</i>	20
<i>Persons Eligible for Services</i>	21

Doctors

<i>Payments to Doctors</i>	22
<i>Volume of Claims by Doctors</i>	23

Pharmacies

<i>Payments to Pharmacies</i>	24
<i>Volume of Claims by Pharmacies</i>	25

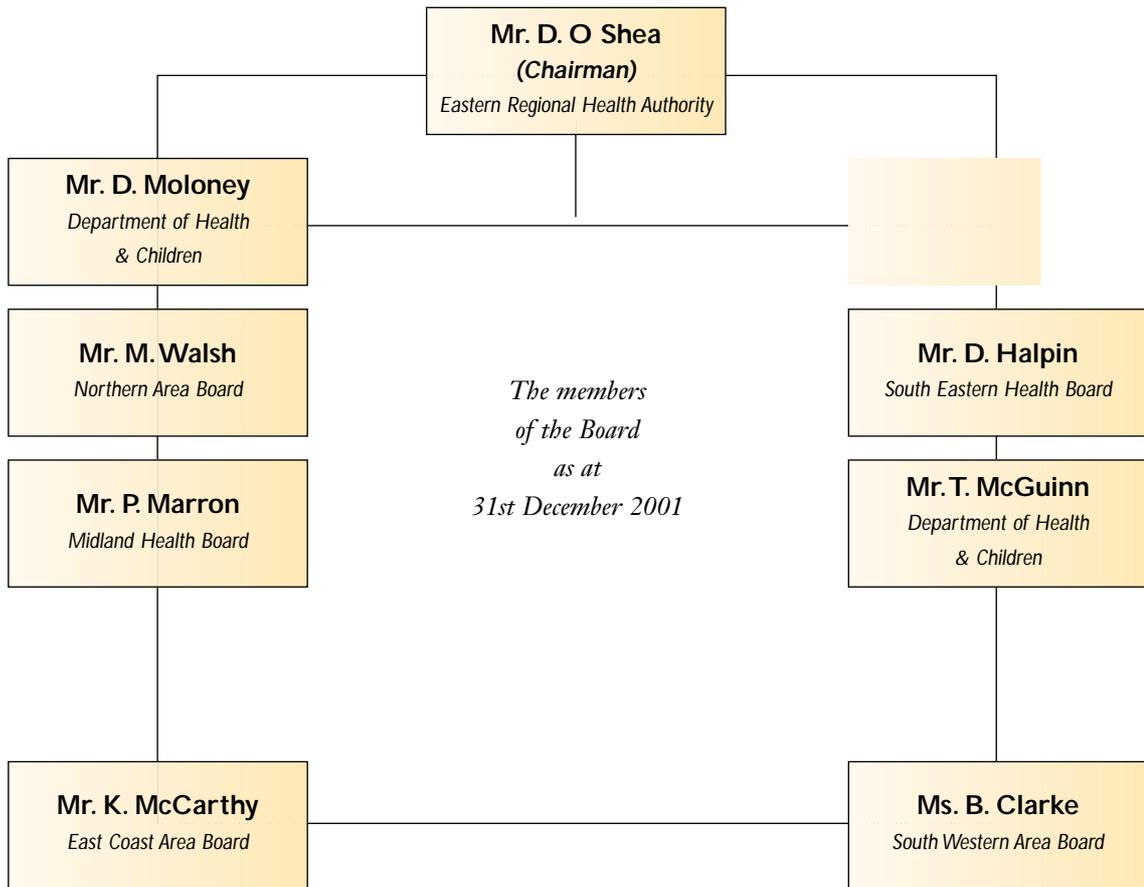
Dentists

<i>Payments to Dentists</i>	26
<i>Volume of Claims by Dentists</i>	27

Optometrists

<i>Health Board Community Ophthalmic Services Scheme</i>	28
<i>Cost per Eligible Person</i>	29
<i>Major Therapeutic Classification of Drugs, Medicines & Appliances - GMS</i>	30
<i>Major Therapeutic Classification of Drugs, Medicines & Appliances - DPS</i>	31
<i>Major Therapeutic Classification of Drugs, Medicines & Appliances - LTI</i>	32
<i>Summary of Statistical Information - GMS</i>	34
<i>Summary of Statistical Information - LTI/DP Schemes</i>	35
<i>Fees and Allowances under Capitation Agreement</i>	36
<i>Fees and Allowances under Fee-Per-Item Agreement and Fees under Immunisation Scheme, Health (Amendment) Act 1996 and Methadone Treatment Scheme</i>	37
<i>Scale of Fees Payable to Pharmacists</i>	38
<i>Scale of Fees Payable to Dentists</i>	39
<i>Scale of Fees Payable to Optometrists</i>	40
<i>Financial Statements</i>	41

The Board

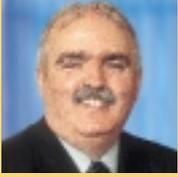




Mr. D. O Shea



Mr. T. A. Flood



Mr. T. O'Dwyer



Mr. D. Moloney



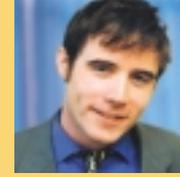
Mr. M. Walsh



Mr. P. Marron



Mr. T. Kelly



Mr. K. McCarthy



Mr. G. Day



Mr. E. Corcoran



Ms. B. Clarke



Mr. S. Mannion



Mr. T. McGuinn



Mr. D. Halpin



Mr. T. Hourigan

Constitution of the Board

The General Medical Services (Payments) Board is a body corporate with perpetual succession and a common seal constituted by Order of the Minister for Health under Section 11 of the Health Act, 1970.

The Board consists of fourteen members comprising:

- (a) (i) one officer of each Health Board designated by the Chief Executive Officer of the Health Board and
- (ii) one officer of each Area Health Board established by Section 14 of the Eastern Regional Health Authority Act, 1999, designated by the Area Chief Executive of the Area Health Board and
- (b) three other persons appointed by the members referred to in (a) (i) and (ii).

Functions of the Board

It is the duty of the Board to perform on behalf of the Health Boards the following functions in relation to the provision of services by General Practitioners, Pharmacists, Dentists and Optometrists/Ophthalmologists under Sections 58, 59 and 67 (i) of the Health Act 1970:

- (a) the calculation of payments to be made for such services;
- (b) the making of such payments;
- (c) the verification of the accuracy and reasonableness of claims in relation to such services;
- (d) the compilation of statistics and other information in relation to such services.

Community Based Services - Payment Arrangements

Almost all payments for services provided in the community by General Practitioners, Community Pharmacies, Dentists and Optometrists/Ophthalmologists are made by the Board. Payments in the Year 2001 were in excess of €1,023m (£806m). Estimated payments by the Board for 2002 are €1,202m (£947m).

Claim data is processed and payments are made by the Board under the following Schemes/Payment Arrangements:

General Medical Services (GMS)

Persons who are unable without undue hardship to arrange general practitioner medical and surgical services for themselves and their dependants and all persons aged 70 years and over receive a free general medical service.

Drugs, medicines and appliances supplied under the Scheme are provided through retail pharmacies. In most cases the Doctor gives a completed prescription form to a person, who takes it to any pharmacy that has an agreement with a Health Board to dispense GMS prescription forms. In rural areas the Doctor may dispense for those persons who opt to have their medicines dispensed by him/her. All GMS claims are processed and paid by the Board.

Drugs Payment Scheme (DPS)

Under the Drugs Payment Scheme persons who are ordinarily resident in the State and who do not have a current medical card can benefit - an individual or family has now to pay no more than €53.33 (£42) in a calendar month for approved drugs, medicines and appliances for themselves or their families. In order to benefit under this Scheme a person must register themselves and their dependants with their local Health Board. Items currently reimbursable under the Drugs

Payment Scheme are those listed in the GMS Code Book. Other items which were reimbursable under the DCS and Refund of Drugs Schemes continue, in certain circumstances, to be reimbursable under the Drugs Payment Scheme. DPS claims are processed and paid by the Board.

Long Term Illness Scheme (LTI)

On approval by Health Boards persons who suffer from one or more of a schedule of illnesses are entitled to obtain, without charge, irrespective of income, necessary drugs/medicines and/or appliances under the LTI Scheme. All LTI claims are processed and paid by the Board.

Dental Treatment Services Scheme (DTSS)

Under the Dental Treatment Services Scheme GMS eligible adults have access to a range of treatments and clinical procedures comprised of Routine Treatments and Full Upper and Lower Dentures. Routine Treatments are now available for all eligible persons. Dentists may also prescribe a range of medicines to eligible persons. All claims under the DTSS are processed and paid by the Board.

European Economic Area (EEA)

Residents from one of the other states of the European Economic Area, with established eligibility, who require emergency general practitioner services while on a temporary visit to the State are entitled to receive from a General Practitioner a GMS prescription form for necessary medication and to have such medication dispensed in a Pharmacy that has entered into an agreement with a Health Board within the State. Students, posted workers and their dependants are entitled to full services on presentation of a valid Form E128. EEA claims are paid by the Board.

High Tech Drugs (HTD)

Arrangements are in place for the supply and dispensing of High Tech medicines through Community Pharmacies. Such medicines are generally only prescribed or initiated in hospital and would include items such as anti-rejection drugs for transplant patients or medicines used in conjunction with chemotherapy or growth hormones. The medicines are purchased by the Health Boards and supplied through Community Pharmacies for which Pharmacists are paid a patient care fee: the cost of the medicines and patient care fees are paid by the Board.

Primary Childhood Immunisation Scheme

A National Primary Childhood Immunisation Scheme provides for immunisation of the total child population with the aim of eliminating, as far as possible, such conditions as Diphtheria, Polio, Measles, Mumps, Rubella and more recently Meningococcal C Meningitis. Payments under this Scheme to Doctors in the Midland, Mid-Western, Southern and Western Health Boards are made by the Board.

Health (Amendment) Act 1996

Under the Health (Amendment) Act 1996 certain health services are made available without charge to persons who have contracted Hepatitis C directly or indirectly from the use of Human Immunoglobulin - Anti D or the receipt within the State of another blood product or blood transfusion. General Practitioner services, pharmaceutical services, dental services and optometric/ophthalmic services provided under the Act are paid for by the Board.

Methadone Treatment Scheme

Methadone is prescribed and dispensed by Doctors and Pharmacists for approved clients under the Methadone Treatment Scheme - capitation fees payable to participating Doctors and Community Pharmacists and claims by pharmacies for the ingredient cost of the Methadone dispensed and the associated dispensing fees are processed and paid by the Board.

Health Board Community Ophthalmic Services Scheme (HBCOSS)

Under the Health Board Community Ophthalmic Services Scheme, adult medical card holders and their dependants are entitled, free of charge, to eye examinations and necessary spectacles/appliances. Claims by Optometrists/Ophthalmologists are paid by the Board. Claims for spectacles provided under the Children's Scheme are also paid by the Board.

Chairman's Statement



Mr. Donal O Shea, Chairman

It is once again my pleasure to join with the members of the General Medical Services (Payments) Board to present the Board's Annual Report for the year 2001, its 28th Annual Report.

The Board is proud of the benefits that its work and services provide to the whole population, particularly family services. In the light of the huge interest at large in relation to Community Care Services the Board has set out in this report specific details in relation to the operation of these schemes. This is done in order to help people be well informed about such services. The Board is also proud of its achievements over the past year particularly in the way that it has moved to address its day-to-day business operations by using state-of-the-art technology, but also in the active way it has worked to promote the agenda for eGovernment.

At year end a significant number of Pharmacists were submitting claims electronically and in the majority of cases were qualifying for payment within 14 working days. General Practitioners had also commenced inputting Special Type Consultation/Special Service claims directly into the Board's claims processing systems and the development and implementation of the national Central Client Eligibility Index is well advanced.

The Board recognises that today's competitive environment requires organisations, constantly, to seek ways to maximise productivity, performance and value for money. Change is on the agenda for every organisation not least in those organisations in the Health Services. The publication of the Health Strategy and Primary Care Strategy late last year formally commenced a process of lasting change in the Irish Health System. The Board is satisfied that the steps which it has initiated over the past number of years in implementing its Business and Information Systems Strategy firmly place it at the forefront of this change and ideally positioned to support the Department of Health & Children in implementing and delivering its strategic plans.

The Board's corporate vision is:

- To provide a modern, economic, efficient, and effective service, on behalf of Health Boards, to Primary Care Contractors, through developing;
- A paperless environment capable of secure efficient processing in an area of growing demand;
- The use of intelligent business agents to support management in the identification and analysis of current and projected trends and reporting on exceptions to these trends on a business level, but primarily from the perspective of quality patient care.

This Information Technology Strategic Plan, which is being implemented on a phased basis, will bring significant change to the way that the Board conducts its business.

In implementing its strategy the Board would like to acknowledge the support received from the Department of Finance and the Department of the Taoiseach. The fact that the development costs of the Central Client Eligibility Index have largely been met by the Information Society Fund and the fact that the Fund is also supporting

the implementation of the Board's wider eCommerce agenda specifically by supporting the development of telematic links with Primary Care Contractors is a significant support for the Board's endeavours.

In implementing its strategic vision the Board is moving resolutely in the direction of '*conducting its business electronically*' i.e. electronic commerce and developing the necessary business and technical relationships with its General Practitioner, Pharmacy, Dental and Ophthalmic customers.

The Board is hugely aware of the fact that business to business electronic commerce creates new dynamics that impact on existing business processes and work flows which are fundamental to its business operations and also its relationships with its customers, including the Health Boards.

The Board makes almost all payments for services provided in the community by General Practitioners, Community Pharmacies, Dentists and Optometrists/Ophthalmologists.

The schemes/payment arrangements under which the Board reimburses Primary Care Contractors and Wholesalers are:

- General Medical Services (GMS)
- Drugs Payment Scheme (DPS)
- Long Term Illness Scheme (LTI)
- Dental Treatment Services Scheme (DTSS)
- European Economic Area (EEA)
- High Tech Drugs (HTD)
- Primary Childhood Immunisation Scheme
- Health (Amendment) Act 1996
- Methadone Treatment Scheme
- Health Board Community Ophthalmic Services Scheme (HBCOSS)

Payments in the year 2001 were in excess of €1,023m, significantly up (25%) on payments of €818m made in the year 2000. Table 1 below sets out in summary form the overall increase in terms of the number of items, which the Board has reimbursed during the year and the associated costs.

Table 1. Summary of trends and patterns - 2001 over 2000

Description	2001	2000	% Increase
Persons Registered	2.44m	2.17m	12%
% of registered population who availed of services	88%	88%	-
No of Items	36m	32m	13%
Payments			
Doctors	€211.84m	€169.93m	25%
Pharmacies	€674.80m	€530.65m	27%
Dentists	€41.65m	€38.03m	9%
Optometrists	€9.81m	€8.69m	13%
Wholesalers HTD	€61.23m	€48.85m	25%

The Board has for some time now been to the forefront in terms of identifying the need for an overhaul of the mechanisms and systems used to register and maintain the database of persons eligible for health services. The Central Client Eligibility Index forms the cornerstone for much of the development of, what the Board views as, a Unique Patient Identifier (UPI) Scheme. This Scheme is recognised as having the potential to support a co-ordinated approach for the development of regional and contractor Information Technology Systems, which underpin the various eligibility related schemes, which the Board administers.

It is widely recognised throughout the Irish Health Service that there is a pressing need for a

Chairman's Statement continued

national Unique Patient Identifier Scheme, to enable the unambiguous identification of service users and resolve the many issues of duplicate identities, which exist in current systems. Health Boards, to date, have done much work and a number of Health Boards have created regional UPI Schemes, each covering one Health Board area. These regional schemes, however, are expensive to support/maintain and do not resolve many of the current problems, simply because they are not nationally based.

The development and implementation of the Central Client Eligibility Index continued during the year and significant progress has been made towards this goal. The initial pilot implementation of the Index is temporarily suspended, but the Board is working to ensure that this pilot will resume in the near future.

One of the significant issues, which occurred during the year, was the implementation of the granting of medical cards without means tests to persons aged 70 years and over. The main issue which arose, is the fact that the number of people who qualified under this Agreement, was significantly higher than that originally thought. In order to urgently address this issue the Board is working closely with Health Boards and the Health Board Executive to deal with the incidence of duplicate cards being issued and remaining on the database and removing the names of persons who have died or moved away, these discrepancies are the main reasons for the apparent differences between expected and actual numbers of persons aged 70 years and over.

Estimated payments by the Board for 2002 are €1,202m. The estimated figures for 2002 are based on the information currently available. The Board has concerns in relation to its ability to estimate fully, costs in respect of any given year on the basis that overruns on what are in effect demand led schemes can throw estimates significantly off. The fact that the Board has little input into Agreements entered into with Primary

Care Contractors also allows significant scope for cost overrun. The management of card registrations by Health Boards is also significant, as the Capitation model forms the basis for a significant portion of payments made by the Board, and the level of accuracy in this area can seriously impact on costs.

In the course of the year the Board developed and implemented a web based system to allow General Practitioners access the Board's systems in order to submit reimbursement claims directly. This facility is now being enhanced to allow General Practitioners access the lists of patients on their panels and it will provide the facility to download these lists for input into their own local practice management systems. In order to further develop its telematic links with General Practitioners the Board has tendered for the development of a national standard for GP Practice Management Systems Accreditation and steps are well in hand to move this issue forward.

The implementation of the joint strategy agreed between the Department of Health & Children, the Irish Pharmaceutical Union and the Board in relation to the delivery and implementation of an agreed standard for pharmacy systems has also moved apace. This standard includes the essential functionality required, for information processing, to manage a pharmacy and interface with the Board and other key bodies in industry and government. The standard was derived from a detailed investigation carried out to determine all these requirements. The standard represents both current and future requirements, driven by the impetus of the pharmacy business and the opportunities of Information Technology. The developed standard will be the benchmark against which pharmacy systems vendors will have their systems accredited in the future.

During the course of the year the Board's relationship with our colleagues in the Health Boards was maintained and developed over a wide range of mutual issues and primarily from the

perspective of supporting Primary Care Contractors in ensuring the delivery of quality patient care. One of the issues that required significant attention and resources was in the area of ensuring the integrity of patient data with a view to having a completely accurate register.

In pursuing its role of supporting the governance arrangements in relation to the management of the various schemes under its remit, the Board has also arranged that Health Board Principal Dental Surgeons be able to directly access the Board's database in order to use the information to manage and monitor the DTS Scheme. The Board is advancing plans to provide this facility to other Health Board management groups including Health Board Primary Care Units.

In the course of the year the Board's officers met on many occasions with executives of the Taoiseach's Office, the Department of Finance and the Department of Social Community & Family Affairs, the Reach Agency and the Data Protection Commissioner, in order to further the development of the Board's eBusiness infrastructure and deal with issues which arose in relation to access to and the use of the Personal Public Service (PPS) number. Over the course of the year, with the assistance of the Department of Social Community & Family Affairs, the Board successfully obtained a significant number of PPS numbers for clients registered for services in order to enable these services to be delivered more efficiently and effectively.

The issue of collecting the balance of PPS numbers is a huge task and will require the joint resources of all Health Boards and the relevant Government Departments in order to ensure the integrity of the databases under the Board's governance so that the Health Services can promptly deliver services to patients.

I have alluded above to the fact that change is on the agenda for every organisation not least in those organisations in the Health Services. This change is about implementing a culture of

innovation into the public service. The change embarked on by the Board is setting out to achieve a variety of apparently widely differing ends; to achieve efficiency, cut costs, improve image, motivate staff and more generally, improve the quality of a public sector service. In order to achieve this goal organisations need to be staffed with employees who share a common purpose and commitment. The Board's executive has in the course of the year continued the practice of meeting with representatives of the various client groups to discuss issues of mutual interest and where necessary to endeavour to resolve difficulties when they arise. The co-operation and goodwill shown by these groups is very much appreciated.

The Board is indebted to General Practitioners, Community Pharmacists, Dentists, Optometrists/Ophthalmologists, their families and their staffs for their increasing dedication to the delivery of Primary Health Care Services to their communities. The staff of Health Boards, especially those who deal directly with service providers and service users and who interface regularly with the staff of the Board, are again very deserving of a special word of appreciation.

To the Board's staff, who in the year had to re-double their efforts to cope with the change in business practices referred to above, additional claim volumes and a more complex working environment, I say a special thank you.

I am indebted to my fellow Board Members for their unswerving dedication and commitment. Members who regularly attend meetings of the Board and who participate in so many other ways in the work of the Board help me enormously to discharge my role as Chairman. To them I offer my thanks and appreciation for their efforts throughout the year.



Mr. Donal O'Shea
Chairman

Review and Outlook

Pharmacy Claims and Payments

By year end 2001 more than 700 Community Pharmacies were submitting electronically in excess of 1.8m GMS/DPS claim items each month - of this group more than 680 Pharmacies regularly qualified for early payment i.e. within 14 working days. The current mechanism for electronic submission is an enhanced pilot, which has been extended in the light of demand from pharmacies and against the background that the new pharmacy standard is in the process of being implemented. The implementation of this new standard will involve the validation of all clients for services at the point of service delivery. The process to implement the new standard is a consultative one and includes all the main stakeholders. Plans to deploy the new system are well advanced.

However, significant difficulties still remain in relation to the management of the Drugs Payment Scheme (DPS) due to the failure of many users and potential users to register with Health Boards as required in order to fully benefit under this Scheme.

Of the patient numbers used each month approximately 18,000 DPS claims have no match on the Board's Patient File notwithstanding the fact that a significant proportion of unmatched numbers are valid Personal Public Service (PPS) numbers. The absence of a registered number on a DPS claim form results in the named individual or members of his/her family being deprived of the principal benefit of the DPS i.e. a cap on expenditure on approved drugs/medicines prescribed and dispensed in a calendar month.

During the year the Board wrote to each Pharmacist outlining the position in their specific case regarding this issue and provided the relevant 'no match' data in the hope that Pharmacists could help reduce this figure significantly. The Board holds the view that the problems being experienced will not be resolved until a date is set from when registration under

the Scheme is mandatory. The necessity of a large publicity campaign to precede any such implementation will be central to its success.

Because of the fact that the PPS number represents a key part of the Government's eGovernment strategy, the PPS number is central to the development of the Board's Patient Index. For this reason the Board believes that the PPS number is an essential piece of data to be collected on patient registrations under all schemes. The Board however recognises, that because of the fact that individuals might not always have their PPS number to hand when registering, there is a need for arrangements to be in place to allow for emergency registration without the PPS number.

Under the GMS and DP Schemes there is a common list of medicines approved but this is not the case with the Long Term Illness Scheme. This Scheme provides persons who suffer from one or more of a schedule of illnesses the necessary drugs/medicines required to treat the illness. Under the LTI Scheme each individual Health Board decides on the medicines to be approved. This process leads to situations where there are anomalies in terms of drugs approved for individual patients. Currently a number of Health Boards, on a trial basis, are using a core list for the treatment of 'Diabetes' and 'Epilepsy' and it is planned that the other Health Boards would follow suit. The rationale for a core list is not financial savings, rather it is to agree a 'broad' list of drugs for each category of long term illness condition and to streamline the approval process, with the Health Boards retaining the right to approve additional items that are specific to individual patients requirements. The Board has set up an LTI Review Group to examine this whole area.

During the year there was some concern in relation to the fact that there was a substantial increase in the rate of uptake and in the cost of drugs and medicines in the Community Drug

Schemes. The LTI figures in particular showed a surprising increase in volume, which in turn gave concerns as to the rise in cost and cash flow. Decisions to allow the dispensing of drugs/medicines to treat secondary conditions in some LTI conditions explains the increase in items. The fact that there has been also a higher detection rate of some LTI conditions has contributed to the rises outlined.

In the course of the year the Board implemented the agreement with Pharmacists to address the issue of loss of income following the decision to grant eligibility to all persons aged 70 years and over. The Board advised Pharmacists of the amendments to its main payment systems necessary to implement the new arrangements.

General Practitioners

The changes to the Payments System to capture data in relation to certain immunisations provided by General Practitioners i.e. Pneumococcal, Influenza, the combined Pneumococcal/Influenza Vaccine and Hepatitis B also provides for collecting the batch numbers of all vaccinations. This feature which was included in order to meet any 'look back' requirements required by Health Boards has not been entirely successful due to the fact that data is entered and captured manually. While the manual data capture of these claims is meant to be an interim measure, it is planned that the recommendations of the National Immunisation Steering Group, together with the Board's endeavours to automate the submissions of these claims will address this matter.

The numbers of rejected claims continue to be at an unacceptable level considering the amount of work done in this area. In 2001 the Board developed and implemented a web-based system allowing General Practitioners key their Special Type Consultation/Special Service claims directly into the Board payments system. After an initial pilot trial and a very positive response this facility

has been extended to a situation where now more than 200 General Practitioners are facilitated. This system is being enhanced to allow General Practitioners access the list of patients on their panels and it will also provide the facility to download these lists for input into their own local practice management systems. In order to further develop its telematic links with General Practitioners the Board has put out to tender the development of a national standard for GP Practice Management Systems Accreditation.

The most significant issue dealt with this year was the introduction of medical cards for persons aged 70 years and over from the 1st July 2001. The Irish Medical Organisation (IMO) was initially opposed to providing services to this group and indicated that it would be extremely difficult to obtain the agreement of their members. The differences with the IMO prior to its introduction were significant and in fact agreement was not reached until the 30th June 2001.

The agreement with the IMO in addition to dealing with the introduction of eligibility to persons aged 70 years and over was broad ranging in terms of the headings addressed:

- Primary Childhood Immunisation Scheme
- Practice Nurse & Practice Secretary Establishment Grant
- Practice Nurses and Secretaries
- Discretionary Medical Cards
- Asylum Seekers
- Medical Indemnity
- District Medical Officers - guaranteed salary increases
- Training Grants
- Temporary Residents/Non-Rota Patients/EEA
- Out-of-Hours Review

Review and Outlook continued

The Board advised General Practitioners of the amendments to its systems to implement the new arrangements. It also outlined the requirements for Health Boards to provide the necessary registration details required to identify the various categories so as to give effect to the terms of the Agreement.

This Agreement also allowed for General Practitioners who continued to practice under the Fee-Per-Item of Service Agreement to continue to claim for consultations with persons aged 70 years and over on a Fee-Per-Item basis or to opt for a capitation contract for all such GMS clients.

The Controlled Drugs Review Group

A number of claims processed by the Board are in respect of drugs/medicines, the prescribing and dispensing of which fall within the ambit of the Misuse of Drugs Regulations. The Board receives periodic reports by its Executive on the operation of these statutory arrangements. Having considered one such report the Board established a Group, comprised of representatives of the Health Boards, the Department of Health & Children and the GMS (Payments) Board, to examine the level of compliance with legal requirements and the level of monitoring and inspection being carried out by the responsible bodies. The report of this Group is awaited.

Review of Reimbursable Non Drug Items

The Board conducts an Annual Review of the list of non drug items, which are reimbursable under the GMS Scheme. The products added and price changes implemented relate to the following categories - Clinical Nutritional Products, Diagnostics, Dressings, Ostomy Appliances, Urinary Appliances, Syringes/Needles and Lancets.

The Non Drug Review Group which was established by the Board some years ago carries out the Annual Review. The Group comprises of

Health Board personnel with expertise in the various disciplines, representatives of the Department of Health & Children and the GMS (Payments) Board. Prior to the review process the Executive of the Board meets with individual manufacturers and representatives of the industry on matters relevant to the Annual Review. The Board through its Executive and aided by external advisors is informed in relation to best practice and EU Directives effecting this area of the Board's business.

Indicative Drug Target Scheme

The Board expends considerable time and effort in preparing a methodology, monitoring and balancing budgets in relation to Indicative Drug Targets (IDT). Unfortunately at year-end the results did not match up to expectations. It is felt that there now appears to be major change in the nature of the incentive Scheme.

It would appear that the current Scheme seems to have lost its appeal and effort is needed to renew interest. A Group has been established to examine the current methodology, inter alia whether using age and gender in the calculations is sufficient, and whether the medical needs of persons on Doctors' panels should be more closely integrated into the calculations. The Group is currently examining the principles/guidelines of the Indicative Drug Target Scheme.

High Tech Drugs Stocks

The Board was concerned that it could not verify the accuracy of the figures presented in its accounts as the Pharmacists stock take figures were incomplete at 31st December 2000. For the year 2001 the Board wrote to each Pharmacist and requested that a stock take be carried out and the returns made back to the Board in a reasonable timeframe. In view of the fact that the arrangements in relation to high tech medicines were introduced in 1996 the Board considers that the time might be opportune to review such arrangements in the light of the experience and

knowledge gained by Health Boards and the Board, to determine the appropriateness and cost effectiveness of the current arrangements including stock that becomes surplus to requirements.

Administration

General Administration costs inclusive of salaries etc. were €12.71m. Of this amount €0.27m is the cost of providing laminated plastic cards for the Drugs Payment Scheme which was introduced in July 1999, ongoing computer systems development accounted for €3.07m, Health Board stationery (prescription forms, claim forms etc.) cost €0.88m, other stationery supplies cost €0.90m and postal and telephone charges also cost €0.39m. Salaries, wages and other staff costs totalled €4.11m i.e. less than 0.5% of overall cost.

Prompt Payment of Accounts Act

The Prompt Payment of Accounts Act 1997, came into force in January 1998. The Board is named under the Act as a 'purchaser', which function is discharged on behalf of the Health Boards. The Board's clients are primarily Doctors, Pharmacists, Dentists and Optometrists/Ophthalmologists who are contracted by Health Boards to supply services under the Health Act 1970. Compliance by the Board with the payment arrangements provided for in said contracts discharges the Boards statutory responsibility under the Act.

The arrangements in place for the submission of claims to the Board for payment and the processing of such claims by the Board are covered by the terms of the contracts between Health Boards and individual Doctors, Pharmacists, Dentists and Optometrists/Ophthalmologists. Details relating to the submission of claims and the making of payments are agreed with the representative organisations and contained in official circular letters, such circular letters are an elaboration of contract terms.

There are two exceptional situations that can impact on the Board's ability to meet its contractual obligations viz. when (i) the Board's master files have not been updated by Health Boards so that a claim can be processed to finality and (ii) claim data is captured incorrectly by the Board at data entry stage. Either or both situations can cause an otherwise accurate/valid claim to be rejected for payment, the circumstances of such rejections being outside the control of claimants attracts payment of interest by the Board as provided for under the provisions of the Act.

The total amount of Prompt Payment of Accounts Act interest paid by the Board in 2001 was €113.

Information Technology and Business Strategy Development

In the Business Statement & Information Systems Strategy, adopted in 1999, proposals are set out for the use of state-of-the-art technology to address the Board's day-to-day business operations.

Central Client Eligibility Index

Because of its concerns with the level of patient file integrity the Board embarked on the building of the Central Client Eligibility Index (CCEI). The CCEI forms a corner stone for much of the development of what the Board views as a Unique Patient Identifier (UPI) Scheme. This Scheme is recognised as having the potential to support a co-ordinated approach on the development of regional and contractor IT systems, which underpin the various eligibility related schemes.

To govern the implementation of this project the Board has established a National Steering Group set up with the following terms of reference -

'to steer implementation of national policy relating to the Central Client Eligibility Index (CCEI) as determined by the Health Boards Chief Executive Officers and to ensure that the CCEI in line with

Review and Outlook continued

National Policy and Strategy, has a sufficient level of visibility and priority within a Health Board to ensure that decisions that need to be taken, including the deployment of resources, can be taken, having regard to the timetable for implementation’.

The initial pilot implementation of the Index is temporarily suspended. The Board is currently conducting a review of the project and is working to ensure that this pilot will resume in the near future. The review of the project is providing an opportunity for all involved to agree on the implementation requirements and the impact it will have on the respective business environments.

While the CCEI has significant benefits for the GMS (Payments) Board its real importance lies in its being a key component in building an infrastructure for delivering integrated health care. Notwithstanding this the Board recognises that the implementation of the CCEI will have a significant impact on Health Boards in relation to changing business processes and organisational implications.

With the roll out of the Index, Contractors (General Practitioners, Community Pharmacies, Dentists and Optometrists/Ophthalmologists) will, for the first time, be in a position to validate patient eligibility for the service being provided. All persons who wish to avail of a State funded Scheme and who have registered with a Health Board will be provided with a ‘swipe’ card, which will be used to confirm eligibility at the point of service - each such card will hold a persons Personal Public Service (PPS) number, these cards can be used by the authorised persons to check, on-line, against the Index the current status of a person’s eligibility.

For this to happen the patient records of all parties involved in the administration of these Schemes must hold the same patient identifier (i.e. the PPS number) and have the same persons registered on their file.

Health Services Eligibility Card

The Board intended to implement a single ‘national’ Health Services Eligibility Card to be used for all Schemes with the possible exception of the Methadone Treatment Scheme using swipe technology. The move to smart cards would be co-ordinated with the approach and strategy of Reach (the agency responsible for eGovernment) but the Board will take cognisance of the fact that the health sector domain has unique requirements in relation to security, privacy and confidentiality.

Recently at the Barcelona European Health Council, Ireland supported in principle the introduction of the European Health Card. This support was in the context that the card would replace the E111 form only and would not contain any health information pertaining to the holder of the card. The Board supports the Irish position in that the practical operational aspects of the introduction of the card required detailed consideration by Member States at EU level. These discussions must take account of the relative situations in Member States with regard to the type of health system and level of IT infrastructure currently in place.

European Commission - Information Society Technologies (IST) 5th Framework

Since January 2000 the Board has been a member of a Research & Development Project funded under the 5th Framework Programme, by the Information Society Technology, European Commission. The project entitled ‘*Professionals and Citizens Network Integrated Care*’ (PICNIC) will finalise in February 2003.

PICNIC was initiated by regional health care providers and research institutions, who are planning to develop the next generation of *Health Care Information Networks (HCINs)* to support new ways of providing health and social care. The regional health care providers and authorities in

PICNIC have undertaken this development in a public/private partnership with industry.

Following a review of the PICNIC project at European Commission level it has been restructured and the GMS (Payments) Board now has overall co-ordination responsibility for the project. The aim of PICNIC is to prepare regional healthcare providers to implement the next generation of secure, user-friendly healthcare networks with the Board specifically involved from the perspective of clinical messaging and the reimbursement service. The Board plans to develop as part of the PICNIC project common components and provide these components to pharmacy system vendors in order to support them in providing the functionality to Pharmacists to -

- allow them access the GMS CCEI to verify eligibility for services at the point of contact and
- allow them forward claims for reimbursement directly to the GMS.

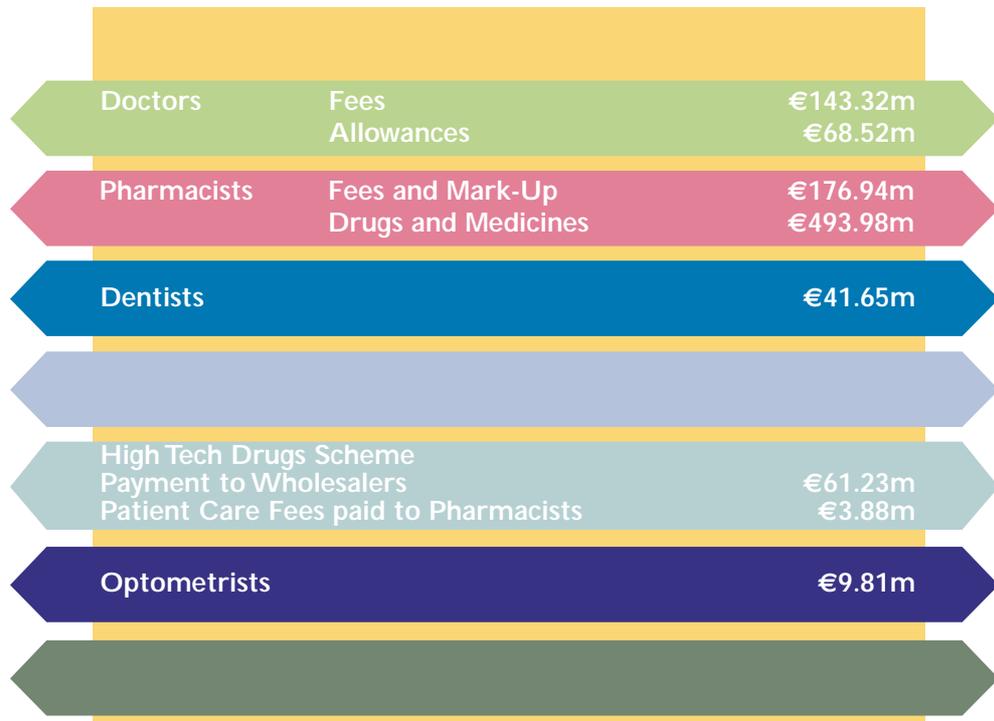
Euro Changeover Plan

In line with its Euro Changeover Plan the Board became Euro compliant from April 2001 and well within the time allowed for the transition. From this date all reports and payments were made in Euro. Like many other agencies and companies the business of the Board is now highly dependent on Information Technology and substantial resources were diverted from other Information Communication Technologies developments for this essential project.

Summary Statement of Activity During the Year

- Payments in the Year were in excess of €1,023m.
- Claim data is processed and payments are made by the Board under the following Schemes:
 - General Medical Services (GMS);
 - Drugs Payment (DP);
 - Long Term Illness (LTI);
 - Dental Treatment Services (DTS);
 - European Economic Area (EEA);
 - High Tech Drugs (HTD);
 - Primary Childhood Immunisation;
 - Health (Amendment) Act 1996;
 - Methadone Treatment;
 - Health Board Community Ophthalmic Services (HBCOS).
- At year end there were more than 2.44m persons registered as being eligible to benefit under the General Medical Services, Drugs Payment, Long Term Illness, Dental Treatment and Health Board Community Ophthalmic Services Schemes.
- More than 88% of eligible GMS persons availed of GP, Pharmaceutical, Dental or Ophthalmic services provided by more than 4,800 Doctors, Pharmacists, Dentists and Optometrists/Ophthalmologists.
- More than 36m prescription items were paid for by the Board - an increase of over 4m items on 2000.
- Fees and allowances paid to Doctors totalled €211.84m.
- Payments to Pharmacies totalled €674.80m:
 - GMS €434.02m;
 - DP €177.62m;
 - LTI €52.08m;
 - EEA €1.41m;
 - Patient Care Fees under the HTD Scheme €3.88m;
 - The Health (Amendment) Act 1996, Methadone Treatment Scheme and DTS prescriptions €5.79m.
- Payments to Dentists under the DTS totalled €41.61m.
- Payments to Optometrists/Ophthalmologists under the HBCOS totalled €9.81m.
- Payments to Wholesalers under the HTD Scheme totalled €61.23m.
- Administration costs in the accounting period of 2001 were €12.71m.
- Claims processed are in respect of services provided in the community and availed of by almost 50% of the population.

The Year 2001



Number of Agreements

1,863 Doctors

1,203 Pharmacists

1,315 Dentists

437 Optometrists

The number of agreements between Health Boards and General Practitioners for the provision of services to GMS persons reflects the policy position agreed between the Department of Health & Children and the Irish Medical Organisation on entry to the GMS. In December 2001 there were 1,863 such agreements. There were 228 GPs who do not hold GMS agreements and who were registered as providing services under the Primary Childhood Immunisation Scheme, the Health (Amendment) Act 1996 and the Methadone Treatment Scheme at year end.

The number of pharmacy agreements extant at year end was 1,203.

The number of DTS contractors at year end was 1,315.

The number of Optometrist/Ophthalmologist agreements at year end was 437.

Number of Agreements as at 31st December 2001

Health Board	Doctors	Pharmacists	Dentists	Optometrists
East Coast Area	184	109	96	38
South West Area	215	163	184	58
Northern Area	189	125	140	53
Midland	101	65	72	35
Mid-Western	173	120	90	33
North Eastern	152	104	138	50
North Western	123	68	72	19
South Eastern	206	131	154	46
Southern	299	193	265	57
Western	221	125	104	48
National	1,863	1,203	1,315	437
Corresponding Figures for 2000	1,798	1,180	1,206	420

214 Dentists who are employees of Health Boards and who provide services under the Dental Treatment Services Scheme are included above.

Persons Eligible for Services

GMS 1.199m

DP 1.156m

LTI 0.088m

Persons who are unable without undue hardship to arrange General Practitioner medical and surgical services plus dental and optometric services for themselves and their dependants are provided with such services free of charge under the GMS Scheme. An eligible person is entitled to select a Doctor of his/her choice, from among those Doctors who have entered into agreements with Health Boards. Drugs, medicines and appliances prescribed by participating Doctors for their GMS patients are provided through Community Pharmacies. Dental and ophthalmic services are provided by Dentists and Optometrists/Ophthalmologists who have contracted with Health Boards. GMS prescription forms may be dispensed in any Pharmacy that has an agreement with a Health Board to dispense GMS prescription forms. In rural areas, where a Doctor has a centre of practice three miles or more from the nearest retail Pharmacy participating in the Scheme, the Doctor dispenses for those persons served from the centre who opt to have their medicines dispensed by him/her. The number of eligible GMS persons at year end included 57,294 persons who were entitled and had opted to have their medicines dispensed by their GPs.

Under the terms of the Drugs Payment Scheme persons who do not have a medical card may apply for a Drugs Payment Scheme card on an individual or on a family unit basis. Prescribed medicines, which are reimbursable under the GMS, costing in excess of a specified amount per month, currently €53.33 per family, is claimed by the pharmacy and is paid by the Board.

On approval by Health Boards persons who suffer from one or more of a schedule of illnesses are entitled to obtain, without charge, irrespective of income, necessary drugs/medicines and/or appliances under the LTI Scheme. The Board makes payments on behalf of Health Boards for LTI claims submitted by Pharmacies.

Number of Eligible Persons as at 31st December 2001

Health Board	GMS	DP	LTI
Eastern Regional Boards	357,176	396,398	41,823
Midland	72,857	64,018	3,793
Mid-Western	102,953	113,286	6,094
North Eastern	105,247	111,371	5,771
North Western	97,837	54,134	4,148
South Eastern	140,891	120,655	7,512
Southern	180,206	192,708	13,451
Western	142,287	104,266	5,396
National	1,199,454	1,156,836	87,988
% of Population	31.24%	30.13%	2.29%
Corresponding Figures for 2000	1,148,055	942,193	82,619

GMS - General Medical Services Scheme. DP - Drugs Payment Scheme. LTI - Long Term Illness Scheme.

Fees €143.32m

Allowances €68.52m

Payments to General Practitioners are categorised as fees and/or allowances. For the majority of GPs who operate under the 1989 agreement the principle fee item is the capitation per person which is weighted for gender, age and distance from Doctor's centre of practice - capitation fees totalled €96,902,904 in 2001 - an increase of €19,317,682 over 2000. Fees totalling €1,812,297 were paid to 27 GPs who continue to provide services under the Fee-Per-Item of service agreements.

Apart from 'Out-of-Hours' fees and fees for a range of special services the cost of services provided in normal hours by GPs for GMS persons, including the prescribing of necessary medicines, is encompassed by the capitation fee. All GMS persons can avail of full GP services and in many cases they can benefit from specialist clinics provided by GPs for issues such as Women's Health, Family Planning and Asthma.

In addition to a capitation fee an outside normal hours fee is payable for non routine consultations when an eligible GMS person is seen by their GP or another GP acting on his/her behalf from 5pm in the evening to 9am on the following morning (Monday to Friday) and all hours on Saturdays, Sundays and Bank Holidays. The number of 'Out-of-Hours' claims decreased to 464,321 in 2001 compared with 525,247 in 2000 - and the cost of such claims decreased to €16,238,637 from €17,176,291 in 2000. Special fees are payable for a range of 18 services such as excisions, suturing, vaccinations, catheterization, family planning etc. (refer to page 36 for full list of special items) - the most frequent claimed special service in 2001 was Influenza Vaccination (229,000) followed by Excisions (48,716) and Nebuliser treatments (38,529) - there was a total of more than 449,000 special services provided in 2001 - special fees totalling €12,892,391 were paid in 2001.

Annual and Study Leave together with locum, nursing and secretarial support plus other practice support payments account for most of the €68,514,898 allowances paid in the year. The total paid in 2000 was €56,049,767.

Total of Payments to Doctors by Health Board

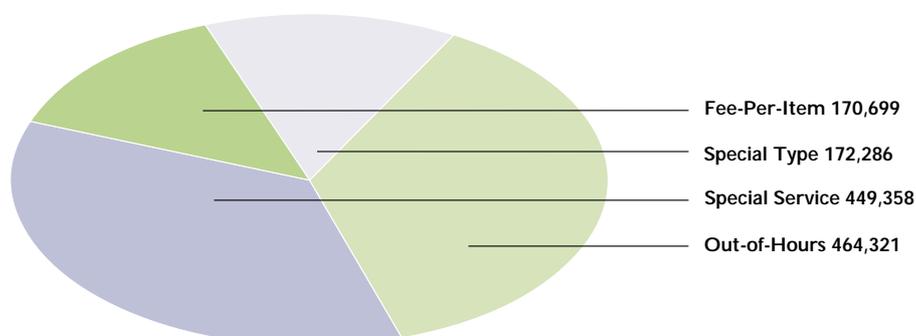
Health Board	2001
East Coast Area	€13,063,398
South West Area	€22,964,358
Northern Area	€19,242,122
Midland	€14,286,688
Mid-Western	€19,603,326
North Eastern	€17,126,239
North Western	€17,183,756
South Eastern	€24,747,867
Southern	€35,166,423
Western	€28,454,071
National	€211,838,248
Corresponding Figures for 2000	€169,930,591

The total of payments to Doctors in the Midland, Mid-Western, Southern and Western Health Boards includes payments of €6.16m under the Primary Childhood Immunisation Scheme; €0.20m to Doctors who provided services under the Health (Amendment) Act 1996 and €2.1m under the Methadone Treatment Scheme.

For details of Fees and Allowances payable refer to pages 36 to 37.

Volume of Claims by Doctors

National - Number of Claims - 2001



Number of Claims in each Health Board

Health Board	Fee-Per-Item	Special Type	Special Service	Out-of-Hours
East Coast Area	5,292	10,038	27,064	22,687
South West Area	45,383	13,418	41,330	41,833
Northern Area	34,094	14,330	34,102	30,284
Midland	-	13,647	29,988	32,767
Mid-Western	37,293	17,324	37,999	34,925
North Eastern	-	10,896	40,403	13,392
North Western	-	15,677	36,690	36,716
South Eastern	9,976	16,481	59,068	69,392
Southern	38,661	31,112	73,633	103,872
Western	-	29,363	69,081	78,453
National	170,699	172,286	449,358	464,321
Corresponding figures for 2000	180,978	186,237	341,571	525,247

A majority of Doctors are paid an annual capitation fee for each eligible person - the rate of payment is determined by the age/gender of the person and distance between each person's residence and the centre of practice of their Doctor-of-Choice.

A minority of Doctors (27) who have continued to provide services under the Fee-Per-Item of Service agreement are paid a fee for each Doctor/Patient contact.

STC - A Special Type Consultation fee is payable when a GMS eligible person is unable to contact their registered Doctor and is seen as an emergency case by another.

General Practitioners qualify for payment of 'special fees' for the special items of service separately identified under the Capitation agreement and the Fee-Per-Item agreement.

Payments to Pharmacies

GMS €434.02m

DP €177.62m

LTI €52.08m

EEA €1.4m

A GMS person who is provided with a properly completed GMS prescription form by his/her GP can choose to have such prescription forms dispensed in any of the Pharmacies who have entered into agreements with Health Boards for the provision of services under Section 59 of the Health Act, 1970.

In 2001 there were 10.5m prescription forms containing 25.52m prescription items dispensed at a cost of over €422.46m i.e. an average cost of €16.55 per dispensed item. More than 88% of all eligible GMS persons were prescribed for in the year. The average cost of medicines per GMS person in 2001 was €371.08.

Payments made to Pharmacies under the GMS and DTS Schemes are inclusive of the ingredient cost of medicines, dispensing fees and VAT.

Under DP, LTI and EEA Schemes Pharmacies are reimbursed the ingredient cost of items dispensed; dispensing fees and VAT; a markup of up to 50% on the ingredient cost of items dispensed is also paid.

The cost of the High Tech Drugs Scheme was €65.11m - at year end there were 18,575 persons registered under this Scheme - Patient Care Fees totalled €3.88m and payments for drugs and medicines totalled €61.23m.

In the year the Board paid €158m on drugs acting on the 'cardiovascular system' (GMS €93m, DP €59m and LTI €6m). The second highest cost category was drugs acting on the 'nervous system' €137m (GMS €87m, DP €42m, LTI €8m). The third highest amount paid was for drugs acting on the alimentary tract and metabolism system €127m (GMS €68m, DP €44m, LTI €15m).

Total of Payments to Pharmacies by Health Board

Health Board	GMS €	DP €	LTI €	*EEA €
Eastern Regional Boards	125,957,365	77,046,023	22,894,287	184,517
Midland	28,350,254	9,129,559	2,561,575	78,040
Mid-Western	39,133,245	15,890,793	3,752,442	131,468
North Eastern	40,256,503	13,593,465	4,385,389	110,709
North Western	30,265,998	6,593,799	2,779,324	203,867
South Eastern	52,151,701	16,895,128	5,420,209	158,496
Southern	68,477,067	25,802,878	6,831,880	287,775
Western	49,427,399	12,665,132	3,455,493	255,240
National	€434,019,532	€177,616,777	€52,080,599	€1,410,112
Corresponding figures for 2000	€338,802,722	€140,598,362	€41,736,348	€1,318,976

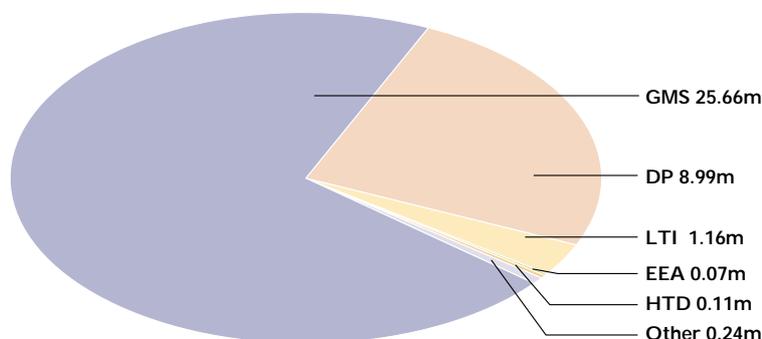
*EEA - Payment to Pharmacies to cover the cost of GMS prescriptions dispensed for residents from the European Economic Area.

Pharmacies were also paid in respect of the drugs/medicines dispensed under: Health (Amendment) Act 1996 - €837,379; Methadone Treatment Scheme - €4,537,692; DTS Scheme - €414,206 and Patient Care Fees totalling €3,878,840 under the High Tech Drugs Scheme. (Payments to Wholesalers under the High Tech Drugs Scheme amounted to €61,229,423).

For details of Fees refer to page 38.

Volume of Claims by Pharmacies

National - Number of Items - 2001



GMS prescription forms processed for payment in the year totalled 10.45m - the total of prescribed items was more than 25.52m - these accounted for approximately 70% of all items paid for by the Board in 2001. Approximately 43% of forms contained a single item; more than 22% contained 2 items - the average number of items per form was 2.44 (2000 - 2.35).

GMS dispensed items paid for by the Board in 2001 increased by more than 2,641,000 - the increase in the number of DP items was more than 1,209,000 - the overall increase in the number of pharmacy claims processed by the Board in the year was more than 4m.

Number of Items in each Health Board

Health Board	GMS	DP	LTI	EEA	HTD	*Other
East Coast Area	1,558,928	995,786	120,775	3,249	8,842	23,613
South West Area	3,301,274	1,441,561	204,053	4,431	16,196	81,930
Northern Area	2,584,460	1,313,014	179,329	2,753	13,043	69,111
Midland	1,672,615	488,028	58,203	3,952	6,336	5,462
Mid-Western	2,378,224	814,274	88,061	7,647	7,992	8,797
North Eastern	2,361,696	716,635	104,235	5,396	10,080	9,128
North Western	1,712,116	326,512	58,829	11,254	10,340	6,156
South Eastern	3,099,467	920,553	120,144	8,760	12,710	13,195
Southern	4,228,123	1,355,995	155,706	15,021	14,630	16,858
Western	2,761,276	613,108	68,541	12,325	10,032	8,991
National	25,658,179	8,985,466	1,157,876	74,788	110,201	243,241
Corresponding figures 2000	23,016,549	7,776,286	987,772	76,191	99,710	236,279

* This group includes 34,927 claim items in respect of the Health (Amendment) Act 1996; 146,409 items under the Methadone Treatment Scheme and 61,905 prescription items under the DTS Scheme.

GMS - General Medical Services Scheme. **DP** - Drugs Payment Scheme.

LTI - Long Term Illness Scheme. **EEA** - European Economic Area. **HTD** - High Tech Drugs Scheme.

Other - Methadone Treatment Scheme, Health (Amendment) Act 1996 and Dental Treatment Services Scheme.

Payments to Dentists

Above the line €26.77m

Below the line €11.07m

Dentures €3.76m

Dentists were paid a total of €41,613,269 in 2001, in respect for treatments provided for more than 186,000 GMS persons under the DTS Scheme.

The following treatments were available to all eligible GMS persons.

ROUTINE - Routine treatments are categorised as either 'Above the Line' or 'Below the Line':
'Above the Line' treatments are uncomplicated procedures viz. Amalgam; Extractions;
'Below the Line' treatments are advanced procedures viz. Protracted Periodontal;
Prosthetics.

'Below the Line' treatments - prior Health Board approval for a specific course of treatment under this category is required.

DENTURE - Full denture treatment is available, with prior Health Board approval, to all edentulous GMS persons over 16 years.

Payments to Dentists in each Health Board

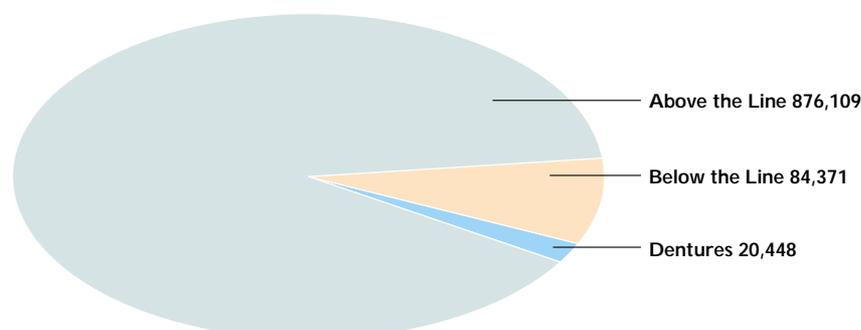
Health Board	2001
Eastern Regional Boards	€11,084,907
Midland	€2,202,324
Mid-Western	€3,286,967
North Eastern	€3,453,837
North Western	€3,039,133
South Eastern	€4,986,966
Southern	€8,141,263
Western	€5,417,872
National	€41,613,269
Corresponding figures for 2000	€38,023,424

Dentists were also paid a total of €33,641 in 2001 in respect of treatments under the Health (Amendment) Act 1996.

For details of Fees refer to page 39.

Volume of Claims by Dentists

National - 2001



Volume of Treatments by Dentists in each Health Board

Health Board	+Above the Line	+Below the Line	Dentures	No. of persons treated under DTS
Eastern Regional Boards	248,232	19,991	4,052	47,973
Midland	43,477	5,217	1,497	9,990
Mid-Western	68,305	5,464	1,938	16,144
North Eastern	72,547	7,805	1,711	17,105
North Western	66,512	4,154	1,819	14,551
South Eastern	100,160	11,925	2,632	22,798
Southern	166,305	18,318	4,378	34,798
Western	110,571	11,497	2,421	23,541
National	876,109	84,371	20,448	186,900
Corresponding figures for 2000	735,532	65,637	20,376	158,435

ROUTINE - Routine treatments are categorised as either 'Above the Line' or 'Below the Line':

'Above the Line' (ATL) treatments are uncomplicated procedures;

'Below the Line' (BTL) treatments are advanced procedures.

+ The most frequently used ATL service was Amalgam Restoration which was used by 81,026 patients followed by Oral Examination. In the BTL category the most frequently used service was Prosthetics followed by Radiographs and Protracted Periodontal.

Under the HBCOSS Optometric/Ophthalmic services are provided to adult medical card holders and their dependants not entitled to benefit under the DSCEA benefit treatment scheme, which includes free eye examinations and necessary spectacles/appliances.

Payments in respect of spectacles provided under the Childrens Scheme are also made by the Board on behalf of certain of the Health Boards.

In the 12 month period to the end of December 2001 claims were received on behalf of 113,644 eligible persons for 305,924 treatments costing €9,810,369. Eye examinations accounted for 106,129 treatments costing €2,078,807 - the balance 199,795 treatments and €7,731,562 relate to the provision of appliances. Eye examinations by Optometrists totalled 98,009; Ophthalmologists provided 7,594 examinations; complete spectacles (distance, reading and bi-focals) provided under the Scheme totalled 149,114. The balance of treatments included replacement lenses and frames, tinted lenses, prisms and contact lenses. A breakdown of treatments and payments by Health Board is shown hereunder.

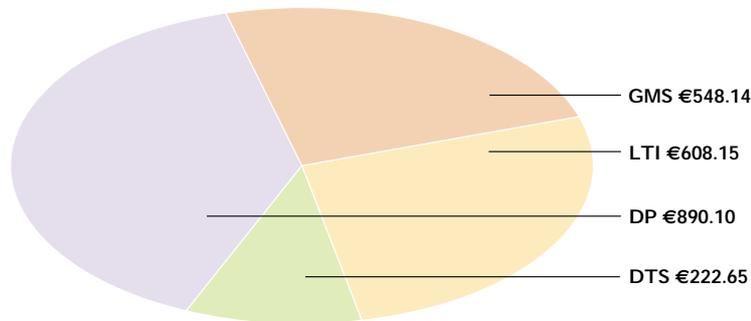
Volume of Treatments and Payments to Optometrists/Ophthalmologists in each Health Board

Health Board	Treatments	Payments
Eastern Regional Boards	60,062	€1,982,189
Midland	22,681	€704,972
Mid-Western	31,227	€1,003,002
North Eastern	20,035	€640,015
North Western	28,816	€889,697
South Eastern	47,994	€1,501,135
Southern	55,849	€1,853,708
Western	39,260	€1,235,651
National	305,924	€9,810,369
Corresponding Figures for 2000	274,506	€8,692,067

For details of Fees refer to page 40.

Cost per Eligible Person

National - 2001



Cost per Eligible Person in each Health Board

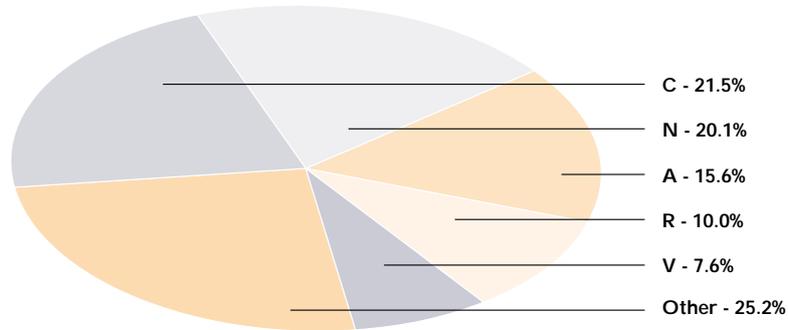
Health Board	GMS			LTI	DP	DTS per person treated
	Doctor Cost €	Pharmacy Cost €	Total Cost €	Pharmacy Cost €	Net Cost per Claimant €	
Eastern Boards	147.06	367.27	514.33	560.37	960.60	231.07
Midland	176.40	396.37	572.77	703.54	863.53	220.45
Mid-Western	169.77	395.04	564.81	644.53	870.82	203.60
North Eastern	153.80	382.80	536.60	783.38	850.38	201.92
North Western	165.93	308.43	474.36	690.34	934.18	208.86
South Eastern	169.81	377.42	547.23	749.79	810.46	218.75
Southern	175.23	392.67	567.90	517.80	800.44	233.96
Western	179.96	352.50	532.46	655.44	879.92	230.15
National	€177.06	€371.08	€548.14	€608.15	€890.10	€222.65
Corresponding figures for 2000	€138.43	€292.61	€431.04	€524.00	€903.37	€239.99

The Doctor cost above does not include superannuation paid to retired DMOs.

Medical and pharmaceutical services delivered to GMS persons increased in cost by €117.10 per eligible person - the cost of medical services per person increased by 28% and pharmaceutical services by more than 27%.

Major Therapeutic Classification of Drugs, Medicines and Appliances - General Medical Services Scheme

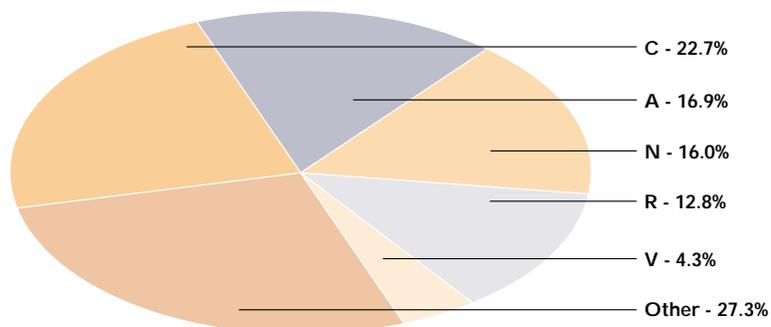
National - 2001



Major Therapeutic Classification		€m	%
A	Alimentary Tract and Metabolism	67.71	15.6
B	Blood and Blood Forming Organs	11.78	2.7
C	Cardiovascular System	93.46	21.5
D	Dermatologicals	9.47	2.2
G	Genito Urinary System and Sex Hormones	18.47	4.3
H	Systemic Hormonal Preps. excl. Sex Hormones	4.38	1.0
J	General Anti-infectives for Systemic Use	24.24	5.6
L	Antineoplastic and Immunomodulating Agents	3.25	0.7
M	Musculo-Skeletal System	28.12	6.5
N	Nervous System	87.10	20.1
P	Antiparasitic Products	0.77	0.2
R	Respiratory System	43.58	10.0
S	Sensory Organs	8.71	2.0
V	Clinical Nutritional Products	15.67	3.6
	Ostomy Requisites	6.01	1.4
	Urinary Requisites	1.41	0.3
	Diagnostic Products	6.53	1.5
	Needles/Syringes/Lancets	1.28	0.3
	Dressings	1.07	0.3
	Miscellaneous	1.01	0.2
Total		€434.02m	100%

Major Therapeutic Classification of Drugs, Medicines and Appliances - Drugs Payment Scheme

National - 2001

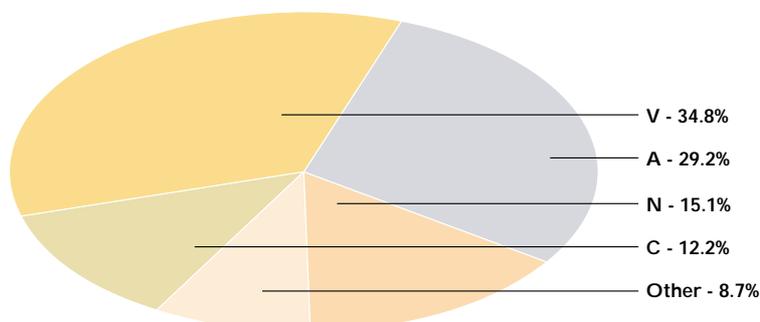


Major Therapeutic Classification		€m	%
A	Alimentary Tract and Metabolism	44.24	16.9
B	Blood and Blood Forming Organs	5.19	2.0
C	Cardiovascular System	59.46	22.7
D	Dermatologicals	8.69	3.3
G	Genito Urinary System and Sex Hormones	18.50	7.1
H	Systemic Hormonal Preps. excl. Sex Hormones	2.04	0.8
J	General Anti-infectives for Systemic Use	15.02	5.7
L	Antineoplastic and Immunomodulating Agents	2.95	1.1
M	Musculo-Skeletal System	15.23	5.8
N	Nervous System	42.03	16.0
P	Antiparasitic Products	0.26	0.1
R	Respiratory System	33.56	12.8
S	Sensory Organs	3.60	1.4
V	Ostomy Requisites	3.73	1.4
	Urinary Requisites	1.31	0.5
	Clinical Nutritional Products	4.84	1.9
	Dressings	0.59	0.2
	Diagnostic Products	0.49	0.2
	Needles/Syringes/Lancets	0.09	0.0
	Miscellaneous	0.37	0.1
Total		€262.19m	100%

Note: The above costs are inclusive of the monthly payment of €53.33 payable to the Pharmacy by the Patient.

Major Therapeutic Classification of Drugs, Medicines and Appliances - Long Term Illness Scheme

National - 2001



Major Therapeutic Classification		€m	%
A	Alimentary Tract and Metabolism	15.19	29.2
B	Blood and Blood Forming Organs	0.32	0.6
C	Cardiovascular System	6.34	12.2
D	Dermatologicals	0.11	0.2
G	Genito Urinary System and Sex Hormones	0.37	0.7
H	Systemic Hormonal Preps. excl. Sex Hormones	0.51	1.0
J	General Anti-infectives for Systemic Use	2.24	4.3
L	Antineoplastic and Immunomodulating Agents	0.07	0.1
M	Musculo-Skeletal System	0.45	0.9
N	Nervous System	7.85	15.1
P	Antiparasitic Products	0.01	0.0
R	Respiratory System	0.37	0.7
S	Sensory Organs	0.08	0.2
V	Diagnostic Products	11.22	21.5
	Clinical Nutritional Products	3.73	7.2
	Needles/Syringes/Lancets/Swabs	1.92	3.6
	Nutritional/Ancillary Devices	0.43	0.8
	Urinary Requisites	0.40	0.8
	Ostomy Requisites	0.13	0.3
	Dressings	0.06	0.1
	Miscellaneous	0.28	0.5
Total		€52.08m	100%

The background features several large, thick, yellow curved shapes that resemble stylized 'S' or 'C' characters, arranged in a pattern across the page. The text is centered in the upper half of the page.

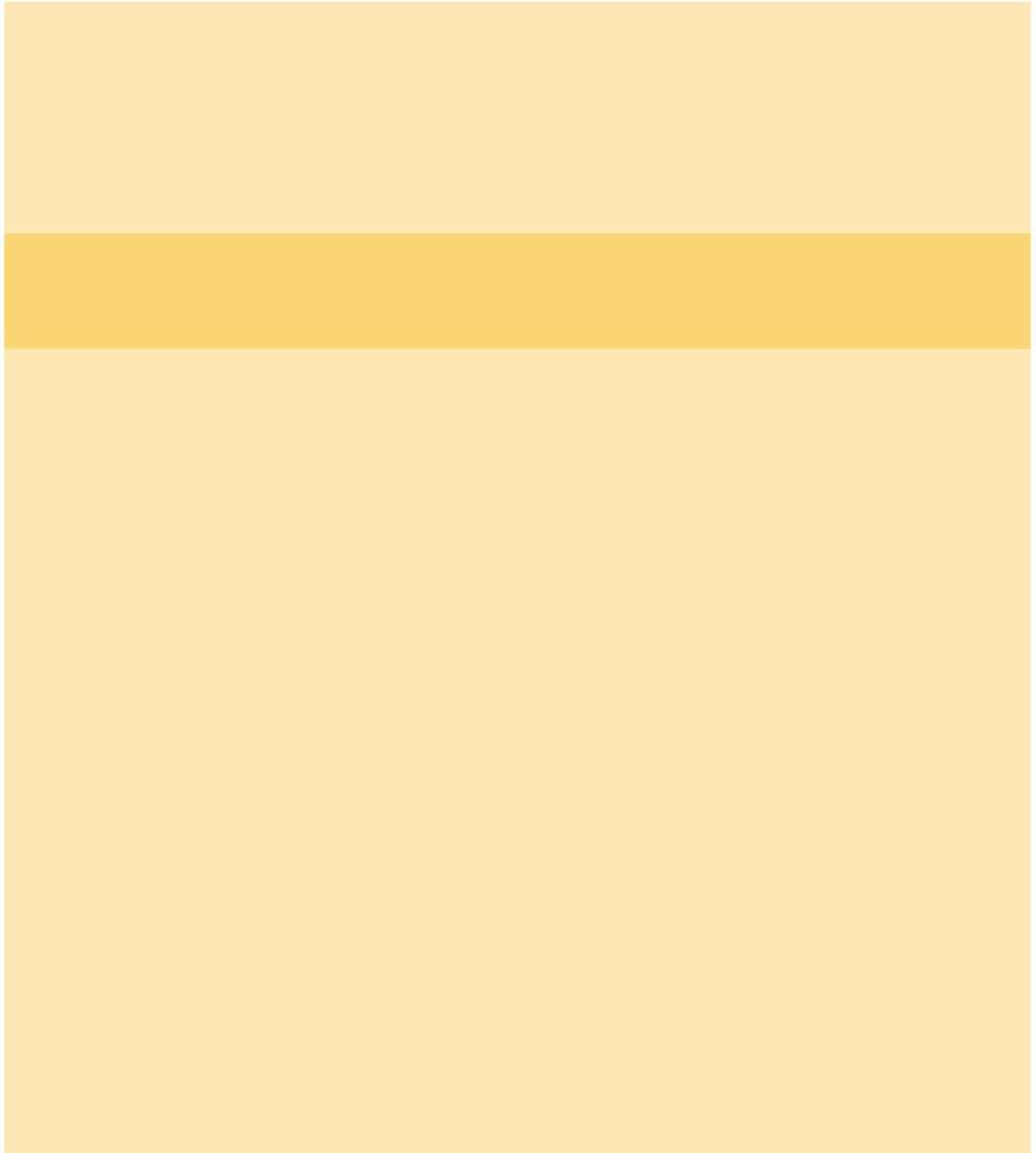
**Summary of
Statistical
Information
for each of
the five years
1997-2001**

Summary of Statistical Information relating to the GMS Scheme for each of the five years 1997-2001

	2001	2000	1999	1998	1997
Number of Eligible Persons in December	1,199,454	1,148,055	1,164,187	1,183,554	1,219,852
Doctors	(000's)	(000's)	(000's)	(000's)	(000's)
Total Payments	€201,720	€165,975	€151,292	€156,108	€127,950
Doctors' Payment per Person	€177.06	€138.43	€123.18	€124.18	€102.94
Pharmacies	(000's)	(000's)	(000's)	(000's)	(000's)
Total Cost of Prescriptions	€422,464	€328,348	€281,699	€248,988	€223,480
Ingredient Cost	€329,497	€262,881	€223,209	€194,652	€172,649
Dispensing Fee	€85,413	€59,325	€52,843	€49,204	€46,173
VAT	€7,554	€6,142	€5,647	€5,132	€4,658
Number of Forms	10,454	9,737	9,631	9,475	9,356
Number of Items	25,521	22,882	21,679	20,696	19,944
Cost per Form	€40.41	€33.72	€29.24	€26.28	€23.88
Cost per Item	€16.55	€14.35	€12.99	€12.02	€11.20
Ingredient Cost per Item	€12.91	€11.49	€10.30	€9.41	€8.66
Items per Form	2.44	2.35	2.25	2.18	2.13
	(000's)	(000's)	(000's)	(000's)	(000's)
Total Cost of Stock Orders	€11,555	€10,455	€9,452	€8,963	€8,431
Ingredient Cost	€8,945	€8,072	€7,282	€6,900	€6,485
Pharmacy Fees	€2,222	€2,019	€1,820	€1,726	€1,623
VAT	€388	€364	€350	€337	€323
	(000's)	(000's)	(000's)	(000's)	(000's)
Overall Cost of Medicines	€434,019	€338,803	€291,151	€257,951	€231,911
Pharmacy Payment per Person	€371.08	€292.61	€246.39	€213.82	€186.58
Overall Payments	€635,739	€504,778	€442,443	€414,059	€359,861
Overall Payment per Person	€548.14	€431.04	€369.57	€338.00	€289.52

Doctors' payment per person is exclusive of superannuation paid to retired DMOs.

**Summary of Statistical Information relating to the
LTI Scheme for each of the five years 1997-2001
and the DP Scheme for the year 2000/2001**



Fees and Allowances under Capitation Agreement

Capitation Fees as at 31st December 2001

Ages	Up to 3 Miles		3-5 Miles		5-7 Miles		7-10 Miles		Over 10 Miles	
	Male €	Female €	Male €	Female €	Male €	Female €	Male €	Female €	Male €	Female €
Up to 4	60.36	58.94	63.41	62.03	67.92	66.55	72.39	71.03	77.94	76.54
5 - 15	36.21	36.58	37.48	37.85	39.32	39.76	41.14	41.56	43.41	43.77
16 - 44	45.44	72.53	47.08	74.15	49.51	76.58	51.91	78.58	54.83	81.90
45 - 64	87.95	96.37	91.89	100.32	97.72	106.12	103.46	111.89	110.61	119.00
65 - 69	92.51	102.87	103.47	113.87	119.76	130.12	135.75	146.13	155.64	166.04
70 and over	95.43	106.11	106.71	117.44	123.56	134.24	140.06	150.79	160.58	171.33

Above rates inclusive of supplementary Out-of-Hours Fee.

The Capitation rate is €462.16 per annum for persons aged 70 years and over in the community issued with a medical card for the first time regardless of income. A Capitation rate of €669.79 per annum will apply to anyone aged 70 years and over in a private nursing home (approved by a Health Board) for any continuous period of five weeks.

Out-of-Hours Payment					Practice Payments for Rural Areas					* Special Items of Service.
<i>Surgery</i>		€34.83			Rural Practice Allowance Per Annum	€14,295.87				(i) Excisions/Cryotherapy/ Diathermy of Skin Lesions.
<i>Domiciliary</i>					Practice Support					(ii) Suturing of Cuts and Lacerations.
Up to 3 miles		€34.83			Allowance for Practice Secretary up to a maximum Per Annum of	€19,129.11				(iii) Draining of Hydroceles.
3 - 5 miles		€46.47			Allowance for Practice Nurse up to a maximum Per Annum of	€30,060.03				(iv) Treatment and Plugging of Dental and Nasal Haemorrhages.
5 - 7 miles		€52.33								(v) Recognised Vein Treatment.
7 - 10 miles		€58.07								(vi) ECG Tests and their Interpretation.
Over 10 miles		€69.70								(vii) Instruction in the fitting of a Diaphragm.
Additional Fee		€27.20			Contributions to Locum Expenses (Subject to the conditions of the Agreement)					(viii) Removal of Adherent Foreign Bodies from the Conjunctival Surface of the Eye.
*Special Items of Service					Annual Leave	_____	Up to a maximum of			(ix) Removal of Lodged or Impacted Foreign Bodies from the Ear, Nose and Throat.
(i) to (ix)		€21.78			Sick Leave	_____	€1,212.68 per week			(x) Nebuliser Treatment in the case of Acute Asthmatic Attack.
(x) and (xi)		€32.68			Study Leave	_____	Up to a maximum of			(xi) Bladder Catheterization.
(xii)		€54.48			Maternity Leave	_____	€173.24 per day			(xii) Attendance at case conferences (in cases where such are convened by a DCC/MOH).
(xiii)		€37.76								(xiii) Advice and Fitting of a Diaphragm.
(xiv)		€60.44								(xiv) Counselling and Fitting of an IUCD.
(xv) and (xvi)		€29.98								(xv) Pneumococcal Vaccination.
(xvii)		€44.99								(xvi) Influenza Vaccination.
(xviii)		€108.12			Contributions to Medical Indemnity Insurance					(xvii) Pneumococcal/Influenza Vaccination.
		+Mileage			Calculation of contribution is related to GMS panel numbers and net premium.					(xviii) Hepatitis B Vaccination.
Temporary Residents					Asylum Seekers					
<i>Surgery</i>		€34.83			A one off superannuable registration fee of €133.96 per relevant patient will be paid to Doctors in respect of each such patient on their GMS Scheme panels.					
<i>Domiciliary</i>										
Up to 3 miles		€34.83								
3 - 5 miles		€46.47								
5 - 7 miles		€52.33								
7 - 10 miles		€58.07								
Over 10 miles		€69.70								
Additional Fee		€27.20								
Rural Dispensing Fee		€10.60								
Fee for Second Medical Opinion		€23.24								

Fees and Allowances under the Fee-Per-Item Agreement and Fees under the Immunisation Scheme, Health (Amendment) Act 1996 and Methadone Treatment Scheme

		As at 31st December 2001	
Surgery Consultations			
Day	Normal Hours	€9.60	
Late	Outside Normal Hours other than (Night)	€13.64	
Night	Midnight to 8.00 a.m.	€26.99	
Domiciliary Consultations			
Day	Normal Hours		
	Urban	€14.16	
	Up to 3 miles	€14.16	
	3-5 miles	€18.54	
	5-7 miles	€24.89	
	7-10 miles	€31.21	
	Over 10 miles	€39.03	
Late	Outside Normal Hours		
	Urban	€18.54	(ii) Suturing of Cuts and Lacerations.
	Up to 3 miles	€18.54	(iii) Draining of Hydroceles.
	3-5 miles	€23.96	(iv) Treatment and Plugging of Dental and Nasal Haemorrhages.
	5-7 miles	€31.21	(v) Recognised Vein Treatment.
	7-10 miles	€41.46	(vi) ECG Tests and their Interpretation.
	Over 10 miles	€48.63	(vii) Instruction in the fitting of a Diaphragm.
Night	Midnight to 8.00 a.m.		
	Urban	€36.34	(viii) Pneumococcal Vaccination.
	Up to 3 miles	€36.34	(ix) Influenza Vaccination.
	3-5 miles	€46.70	(x) Pneumococcal/Influenza Vaccination.
	5-7 miles	€59.08	(xi) Hepatitis B Vaccination.
	7-10 miles	€65.94	
	Over 10 miles	€71.58	
Emergency Fee/EEA Fee (Additional to Standard Fee)		€10.49	
Dispensing Fee		€10.49	
Rural Practitioner's Allowance			
Per Annum		€6,186.13	
Locum and Practice Expense Allowance			
Per Annum		€1,204.28	
Sessional Rate - Homes for the Aged			
Per 3 Hour Session		€64.27	
* Special Items of Service			
(i) to (vii)		€19.71	
(viii) and (ix)		€29.98	
(x)		€44.99	
(xi)		€108.12	
Immunisation Fees			
(i) Registration of child with a GP		€31.44	
(ii) Complete course of immunisation against DPT/DT; Hib; Polio and MMR		€104.75	
(iii) 95% uptake bonus		€50.46	
Health (Amendment) Act 1996			
Surgery Fee		€30.02	
Domiciliary Fee		€39.58	
Methadone Treatment Scheme			
Patient Care Fee - up to a maximum per month of		€105.81	

Scale of Fees Payable to Participating Pharmacists as at 31st December 2001

GMS Scheme		c
Standard Fee-Per-Item (Note 1)		286.76
Extemporaneous Fee		548.54
Extemporaneous dispensing and compounding of		
- Powders		1645.63
- Ointments and Creams		1097.09
Controlled Drugs		444.39
Non-Dispensing - Exercise of professional judgement		274.28
Phased Dispensing - each part of phased dispensing		274.28
Urgent/Late Dispensing		
Additional fee for Urgent/Late dispensing other than between midnight and 8.00 a.m. (Note 2)		768.21
Additional fee for Urgent/Late dispensing between midnight and 8.00 a.m.		1589.34
Note 1	<i>243.96c basic fee and 42.80c allowance for containers, obsolescence etc.</i>	
Note 2	<i>Urgent fee prescriptions are those so specified by the prescriber and necessarily dispensed outside normal hours. Late fee prescriptions are those which, though not marked urgent, are in exceptional circumstances necessarily dispensed outside normal hours by the Pharmacist, having regard to the person's requirements.</i>	
Note 3	<i>A Standard Fee-Per-Item is also payable on prescription forms issued by Dentists under the DTS Scheme.</i>	
Supplies to Dispensing Doctors		
<i>Pharmacies supplying Dispensing Doctors are reimbursed on the basis of the basic trade price with the addition of 25% on cost.</i>		
DP/LTI/EEA Schemes and Health (Amendment) Act 1996		
Reimbursement of ingredient cost plus		
50% mark-up on ingredient cost plus		
Standard Fee - 251.36c (Note 1)		
Extemporaneously dispensed preparations are reimbursed at current private prescription rates. In the case of the Drugs Payment Scheme the Board makes payments to Pharmacies in respect of authorised Patients whose monthly costs of prescribed drugs and medicines are in excess of the specified monthly amount (currently €53.33) payable to the Pharmacy by the Patient.		
Note 1	<i>The standard fee is an all inclusive fee which includes container and broken bulk allowance.</i>	
High Tech Medicines Scheme		
Patient Care Fee: €47.73 per month.		
Methadone Treatment Scheme		
Patient Care Fee: Up to a Maximum of €47.68 per month.		

Scale of Fees Payable under the Dental Treatment Services Scheme

Treatment Type	As at 31st December 2001	
	Routine €	Full Denture €
Oral Examination	24.57	24.57
Prophylaxis	23.11	-
Restoration (Amalgam)	37.14	-
Restoration (Composite) 6 anterior teeth only	38.54	-
Exodontics (Extraction under local anaesthetic)	29.39	-
Surgical Extraction - Max 3 units:		
Fee payable for first 15 minute unit	26.16	-
Fee payable for 2nd and 3rd 15 minute unit	26.16	-
1st Stage Endodontic Treatment (Anterior teeth only)	42.54	-
Apicectomy/Amputation of Roots	*Dentist Estimate	-
Endodontics (Anterior teeth only)	*Dentist Estimate	-
Protracted Periodontal Treatment	*Dentist Estimate	-
Radiographs		
1 Film	18.41	-
2 or more Films	27.81	-
Panoramic	30.79	-
Miscellaneous		
(e.g. Biopsy, Haemorrhage, Dressings etc.)	16.82	-
Prosthetics		
Full Upper or Lower Denture (Other than Edentulous Persons)	230.58	-
Partial Upper or Lower Acrylic Denture	169.12	-
Complete Upper or Lower Reline	92.30	-
Complete Upper and Lower Reline	153.64	-
Denture Repairs		
1st Item of Repair	33.78	-
Each Subsequent Item	10.80	-
Maximum	55.36	-
Full Upper and Lower Denture (Edentulous Persons Only)	-	338.38
Full Upper or Lower Denture (Edentulous Persons Only)	-	230.58

* Dentist Estimates are subject to agreement between a Dentist and a Health Board.

**Financial
Statements
for year ended
31st December
2001**

**GENERAL
MEDICAL
SERVICES
(PAYMENTS)
BOARD**



Contents

<i>General Medical Services (Payments) Board and Other Information</i>	44
<i>Statement of the Board Members' Responsibilities</i>	45
<i>Accounting Policies</i>	46
<i>Income and Expenditure Account</i>	47
<i>Balance Sheet</i>	48
<i>Cash Flow Statement</i>	49
<i>Notes to the Financial Statements</i>	50 - 54

General Medical Services (Payments) Board and Other Information

Board Members

Mr. D. O Shea	Eastern Regional Health Authority (<i>Chairman</i>)
Mr. T. O'Dwyer	Southern Health Board (<i>Vice Chairman</i>)
Mr. D. Moloney	Department of Health & Children
Mr. M. Walsh	Northern Area Health Board
Mr. P. Marron	Midland Health Board
Mr. T. Kelly	North Western Health Board
Mr. T. Hourigan	Mid-Western Health Board
Mr. D. Halpin	South Eastern Health Board
Mr. T. McGuinn	Department of Health & Children
Mr. S. Mannion	Western Health Board
Mr. E. Corcoran	Department of Health & Children
Ms. B. Clarke	South Western Area Health Board
Mr. K. McCarthy	East Coast Area Health Board
Mr. G. Day	North Eastern Health Board

Chief Officer

Mr. T. A. Flood

Auditor

Comptroller & Auditor General
Dublin Castle
Dublin 2

Bankers

Bank of Ireland
Phibsborough
Dublin 7

Solicitors

Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2

Statement of Board Members' Responsibilities for year ended 31st December 2001

The Board is required by the General Medical Services (Payments) Board (Establishment) Order, 1972 to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the General Medical Services (Payments) Board and of the income and expenditure for that period.

In preparing those statements, the Board is required to -

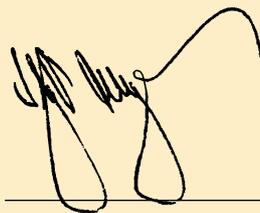
- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- disclose and explain any material departures from applicable accounting standards
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the General Medical Services (Payments) Board will continue in existence.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the General Medical Services (Payments) Board and which enable it to ensure that the financial statements comply with the Order. It is also responsible for safeguarding the assets of the General Medical Services (Payments) Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board



Donal O Shea, *Chairman*



Tom O'Dwyer, *Vice Chairman*

Accounting Policies

The Board was set up to make payments on behalf of the Health Boards for general practitioner and pharmaceutical services and dental treatment, which the Health Boards provide to qualifying persons under the Health Act 1970. The Board is reimbursed its direct costs together with the administration costs incurred in operating the payments service as set out in Note 1 to the Accounts.

1. Basis of Accounting

The accounts have been prepared on an accruals basis to reflect the costs of medicines and medical services provided, and the administration costs incurred in the year, and the matching income receivable to fund these costs.

2. Doctors' Fees and Allowances

Most services from Doctors are provided under an agreement concluded in 1989. Fees are mainly based on capitation taking into account the age of the patient and the distance from the surgery.

3. Pharmaceutical Services

Payments to Pharmacists are made under a service agreement with Health Boards concluded in 1996. This agreement covers medical card holders and other schemes. With effect from 1996 claims have been subject to third party confirmation.

4. Dental Treatment Services Scheme

Payments under this heading comprise amounts paid to Dentists operating as private practitioners in respect of dental treatment provided for GMS patients. The balance of such treatment is provided directly by Health Boards.

5. Health Board Community Ophthalmic Services Scheme

Payments under this heading comprise amounts paid from 1st July 1999 to Optometrists and Ophthalmologists operating as private practitioners in respect of examinations and appliances provided to adult GMS patients. Services for children are separately provided for by Health Boards.

6. Fixed Assets and Depreciation

Fixed Assets are stated at cost less accumulated depreciation. Depreciation is provided for on all fixed assets in order to write off the cost or valuation of the assets over their anticipated useful lives. The following rates of Depreciation have been applied on a straight line basis.

Furniture, Fixtures & Fittings	10%
Information Technology	20%
Library	10%
Office Equipment	10%

7. Superannuation

Staff

A Superannuation Scheme operated by the Board is in accordance with the Local Government Superannuation Act, 1956 as amended. Benefits are met from current income as they arise. Superannuation deductions are retained by the Board and included in Other Income.

Doctors

A contribution of 10% of capitation payments is made by the Board towards the superannuation of participating Doctors.

Income and Expenditure Account for year ended 31st December 2001

	Notes	2001 €	2000 €
Income			
Recoupment from Department of Health & Children and Health Boards	1	1,027,750,406	826,448,927
Rebate from Pharmaceutical Manufacturers		8,179,419	7,629,278
Other Income	2	384,448	424,868
Total Income		<u>1,036,314,273</u>	<u>834,503,073</u>
Expenditure			
Administration	3	11,568,611	10,844,250
Doctors' Fees and Allowances	4	226,982,974	187,940,542
Pensions paid to former DMOs or Dependants	5	5,653,118	5,481,910
Pharmaceutical Services	6	738,581,419	581,645,311
Dental Treatment Services Scheme	7	42,064,493	37,067,926
Community Ophthalmic Services Scheme	8	9,741,291	8,703,623
Depreciation	10	685,415	489,069
Total Expenditure		<u>1,035,277,321</u>	<u>832,172,631</u>
Surplus/(Deficit) for year		1,036,952	2,330,442
Accumulated fund at 1st January		6,887,594	4,557,152
Accumulated fund at 31st December		<u>7,924,546</u>	<u>6,887,594</u>

Notes 1-16 form part of these accounts

Balance Sheet as at 31st December 2001

		2001		2000	
	Notes	€	€	€	€
Fixed Assets	10		2,119,385		1,393,509
Current Assets					
Debtors	11	200,760,943		171,643,951	
Stocks on Hand	12	5,780,095		5,469,018	
Cash		218		218	
		<u>206,541,256</u>		<u>177,113,187</u>	
Current Liabilities					
Creditors	13	165,485,141		148,555,703	
Bank		35,250,954		23,063,399	
		<u>200,736,095</u>		<u>171,619,102</u>	
Net Current Assets			<u>5,805,161</u>		<u>5,494,085</u>
Net Assets			<u>7,924,546</u>		<u>6,887,594</u>
Represented by:					
Accumulated Fund			<u>7,924,546</u>		<u>6,887,594</u>

Notes 1-16 form part of these accounts

Cash Flow Statement for year ended 31st December 2001

	Note	2001 €	2000 €
Net Cash (Outflow)/Inflow from Operating Activities	(A)	(10,776,265)	(14,263,774)
Investing Activities			
Purchase of Fixed Assets		(1,411,290)	(1,286,783)
(Decrease)/Increase in Cash and Cash Equivalents	(B)	<u><u>(12,187,555)</u></u>	<u><u>(15,550,557)</u></u>

(A) Analysis of Net Cash Inflow/(Outflow) from Operating Activities

	2001 €	2000 €
Operating Surplus/(Deficit)	1,036,952	2,330,443
Depreciation Charges	685,415	489,069
(Increase)/Decrease in Debtors	(29,116,993)	(35,729,908)
(Increase)/Decrease in Stocks on Hand	(311,077)	(1,532,729)
Increase/(Decrease) in Creditors	16,929,438	20,179,351
Net Cash (Outflow)/Inflow from Operating Activities	<u><u>(10,776,265)</u></u>	<u><u>(14,263,774)</u></u>

(B) Reconciliation of Increase/(Decrease) in cash and cash equivalents as shown in the Balance Sheet

	2001 €	2000 €	Change in Year
Bank	(35,250,954)	(23,063,399)	(12,187,555)
Cash in Hand	218	218	-
	<u><u>(35,250,736)</u></u>	<u><u>(23,063,181)</u></u>	<u><u>(12,187,555)</u></u>

Notes to the Financial Statements

1. Recoupment from Department of Health & Children/Health Boards

The Health Boards fund the cost of the following Schemes administered by the Board: Drugs Payment Scheme/Long Term Illness Scheme/Ophthalmic Services Scheme/Dental Treatment Services Scheme/Childhood and GMS Immunisation Schemes/High Tech Drugs Scheme in respect of Non-GMS patients and Methadone Scheme. Funding for the other schemes and services administered by the Board, as well as the Board's administration costs, is provided by the Department of Health & Children, on behalf of the Health Boards. The sums provided were:

	2001	2000
	€	€
Department of Health & Children	712,570,570	559,894,671
Health Boards	315,179,836	266,554,256
	<u>1,027,750,406</u>	<u>826,448,927</u>

2. Other Income

	2001	2000
	€	€
Superannuation deductions GMS Staff	130,464	122,421
Superannuation deductions former District Medical Officers and Dependants	22,440	18,712
Bank Interest and Sundries	231,544	283,735
	<u>384,448</u>	<u>424,868</u>

3. Administration Expenditure

	2001	2000
	€	€
Staff Remuneration	4,067,758	3,620,554
Health Board Stationery	1,154,980	1,315,148
Computer Development	2,753,544	2,152,556
Premises Rent and Services	326,397	327,808
Office Supplies, Printing and Stationery	1,119,984	678,761
Bank Interest/Charges	51,574	31,222
Repairs and Maintenance (Equipment & Premises)	61,315	37,226
Postage and Telephone	401,732	357,187
Journals and Periodicals	94,973	167,561
Medical Training Courses	-	-
Legal Expenses	(317)	-
Audit Fee	44,850	27,795
Bad Debts/Bad Debts Provision	-	-
Sundry Administration	1,491,821	2,128,432
	<u>11,568,611</u>	<u>10,844,250</u>

Notes to the Financial Statements

4. Doctors' Fees & Allowances	2001 €	2000 €
Fees		
Capitation	96,501,060	77,238,442
Board's contribution to Doctors' Superannuation Scheme	9,867,472	7,911,602
Special Type Consultations/Special Services	18,509,934	11,923,291
Out-of-Hours Fees	18,654,394	17,423,346
Fee-Per-Item Services	1,811,892	1,756,579
Dispensing Fees	2,172,070	1,660,240
Registration/Vaccination Fees	7,616,009	2,491,655
Methadone	1,953,775	1,746,257
Other Payments	202,045	187,269
	<u>157,288,651</u>	<u>122,338,681</u>
Allowances		
Leave (Annual/Sick/Study/Maternity)	7,469,401	6,596,411
Rural Practice Allowance	2,396,710	1,953,870
Practice Support	26,650,257	17,089,256
Rostering/Out-of-Hours Payments	6,527,020	6,532,253
Practice Equipment Payment	4,351,202	4,356,395
Locum & Practice Expenses	49,792	17,955
Medical Indemnity Insurance	1,539,159	1,235,266
Practice Support Grant	2,100,798	2,037,324
Drug Target Refunds	16,390,848	22,438,385
IMO Agreement:		
Trainers/Trainees/One in One Rotas	634,869	2,137,223
	<u>68,110,056</u>	<u>64,394,338</u>
Salaries		
Salaries and Lump Sums to District Medical Officers	1,584,267	1,207,523
Total Doctors' Fees & Allowances	<u><u>226,982,974</u></u>	<u><u>187,940,542</u></u>

5. Payments to Former District Medical Officers/Dependants

The Board made superannuation payments to 288 former District Medical Officers or their dependants. These payments arose from the officer status with Health Boards of the Doctors and their entitlement to hold General Practitioner contracts.

6. Pharmaceutical Services	2001 €	2000 €
Pharmacists' GMS Claims	434,221,071	340,432,608
DPS/LTI Claims	233,764,110	184,621,442
European Economic Area Claims	1,482,672	1,383,142
High Tech Claims	63,540,927	50,505,842
Other Payments	883,161	785,525
Methadone Treatment Claims	4,689,478	3,916,752
	<u>738,581,419</u>	<u>581,645,311</u>

Notes to the Financial Statements

7. Dental Treatment Services Scheme

	2001	2000
	€	€
Emergency	8,144	638,307
Routine Dental Treatments	38,240,538	32,733,843
Denture Claims	3,793,201	3,645,452
Laboratory Claims	-	-
Other Payments	22,610	50,324
	<u>42,064,493</u>	<u>37,067,926</u>

8. Community Ophthalmic Services Scheme

Fees	4,821,296	4,522,306
Appliances	4,919,995	4,181,317
	<u>9,741,291</u>	<u>8,703,623</u>

9. Leasehold Premises

The Board's office premises are held on a 35 year lease dated 1st December 1974 from Calvinia Ltd. The annual rent is €177,763 effective from 1st December 1999, with 5 year rent reviews. The matter of securing a valuation of the Board's leasehold interest, with a view to its inclusion in the Balance Sheet was examined. In the absence of any quantifiable benefit to the Board the cost of a valuation could not be justified at this time.

10. Fixed Assets

	Furniture Fixtures Fittings	Information Technology	Library	Office Equipment	Total
Cost	€	€	€	€	€
Cost at 1.1.01	615,658	3,557,854	2,223	75,198	4,250,933
Additions	18,086	1,364,522	-	28,682	1,411,290
	<u>633,744</u>	<u>4,922,376</u>	<u>2,223</u>	<u>103,880</u>	<u>5,662,223</u>
Depreciation					
Accumulated Depreciation at 1.1.01	549,036	2,280,941	1,658	25,788	2,857,423
Depreciation for year ended 31.12.01	17,011	657,902	114	10,388	685,415
	<u>566,047</u>	<u>2,938,843</u>	<u>1,772</u>	<u>36,176</u>	<u>3,542,838</u>
Net Book Value at 31.12.01	<u>67,697</u>	<u>1,983,533</u>	<u>451</u>	<u>67,704</u>	<u>2,119,385</u>
Net Book Value at 31.12.00	<u>66,622</u>	<u>1,276,913</u>	<u>565</u>	<u>49,409</u>	<u>1,393,509</u>

Notes to the Financial Statements

11. Debtors

	2001	2000
	€	€
Department of Health & Children and Health Boards	174,168,737	148,249,100
Rebates due from Pharmaceutical Manufacturers	4,694,533	4,563,444
Advance Payments to Pharmacists	21,445,838	18,514,239
Sundry Debtors	451,835	317,168
	<u>200,760,943</u>	<u>171,643,951</u>

12. Stocks on Hand

Dispensing Doctors' Stocks	1,652,344	1,898,864
High Tech Stocks	4,127,751	3,570,154
	<u>5,780,095</u>	<u>5,469,018</u>

13. Creditors

Doctors' Fees/Salaries	60,392,083	53,435,401
Pharmacists' Claims	95,658,339	89,556,957
Dental Treatment Services Scheme	3,094,676	2,704,265
Community Ophthalmic Services Scheme	849,748	625,317
Sundry Creditors	5,490,295	2,233,763
	<u>165,485,141</u>	<u>148,555,703</u>

14. Indicative Drug Target Scheme - Cumulative Savings

The following table gives a breakdown of the cumulative savings made and the amounts paid under the Indicative Drug Target Savings Scheme.

Savings Generated	General		Total
	Health Board	Practitioner	
	€	€	€
Eastern Regional Boards	4,638,374	25,433,014	30,071,388
Midland	1,039,065	4,912,917	5,951,982
Mid-Western	1,535,303	6,397,910	7,933,213
North Eastern	1,493,311	7,943,737	9,437,048
North Western	2,005,309	11,264,392	13,269,701
South Eastern	2,697,256	11,247,719	13,944,975
Southern	2,544,304	13,118,242	15,662,546
Western	2,843,101	14,374,728	17,217,829
Research & Education Fund	-	-	1,684,022
National Savings	<u>18,796,023</u>	<u>94,692,659</u>	<u>115,172,704</u>

Notes to the Financial Statements

14. Indicative Drug Target Scheme - Cumulative Savings (continued)

Payments	Health Board	General Practitioner	Total
	€	€	€
Eastern Regional Boards	3,191,047	11,422,783	14,613,830
Midland	1,013,268	2,726,147	3,739,415
Mid-Western	1,559,134	4,178,669	5,737,803
North Eastern	1,396,817	4,220,110	5,616,927
North Western	1,651,449	6,406,150	8,057,599
South Eastern	2,100,197	7,162,299	9,262,496
Southern	1,936,497	8,165,757	10,102,254
Western	1,773,693	6,876,431	8,650,124
Research & Education Fund	-	-	1,294,415
National Savings Distributed	14,622,102	51,158,346	67,074,863
Balance of Savings at 31st December 2001	4,173,921	43,534,313	48,097,841

15. Prompt Payment of Accounts Act, 1997 - Statement By Responsible Officer

The Prompt Payment of Accounts Act, 1997 came into operation on 2nd January 1998. The General Medical Services (Payments) Board comes under the remit of the Act. The payment practices of the Board are reported on below for the year ended 31st December 2001, in accordance with Section 12 of the Act.

- It is the policy of the Board to ensure that all payments are made promptly.
- The system of internal control incorporates such procedures as are considered necessary to ensure compliance with the Act. The Board's system of internal control includes accounting controls designed to ensure identification of contracts and invoices due for payment within the prescribed payment dates defined by the Act. These controls are designed to provide reasonable and not absolute assurance against material non-compliance with the Act.
- The total amount of Prompt Payment of Accounts Act interest paid by the Board in 2001 was €113.

16. Basis of Preparation

The Board's Financial Statements are presented subject to Audit.

The Financial Statements are prepared on the basis of the payment year January to December with the inclusion of accruals for both income and expenditure.

The statistical data and associated financial values are prepared on the basis of payments made in the 12 months March to February which relates to claims for the calendar year January to December, accruals are not provided.

