Health Budget Oversight Group Meeting
Draft Minutes

Thursday, 28 October 2021 – 1500-1630

Health Service Executive: TBC - Stephen Mulvany, Colum Maddox, Mark O'Donoghue, Tim Cummins, Philippa Witheroe, Brian Lee, Damien McCallion, John Swords, Triona Graham, Mairead Dolan, Gerry Greville, Liam Woods

Department of Health: TBC – John O'Grady, Margaret Campbell, Daniel Curry, Claire Doyle, Pat Mullen, Emer Hanney, Aidan Gilchrist, Kevin Colman, David Noonan,

D/Public Expenditure and Reform: Ronnie Downes (Chair), Daniel O'Callaghan, Jim Deane, Robert Scott, Patrick Moran, Nicola Fitzpatrick, Niamh O'Reilly, Tara Featherstone

TBC - Mary McCarthy, Valerie Walsh

1. **Minutes of Meeting of 16 September 2021**

- Minutes from the meeting on Thursday, 16 September 2021 were approved.

2. **Health Budget Profile and Monitoring**

End Year Position - I&E

- DoH noted that they expect there to be a small surplus this year in I&E terms.
- It was noted that actual levels of expenditure have come in below forecast consistently since July. However, there is the potential for the I&E position to change to a deficit if the booster programme comes into place before year end.
- DPER queried on the overall drawdown projection, when there was a c. €800m surplus in cash at the beginning of 2021 and there has been a significant level of underdraw on the Vote to date. They also highlighted that the c. €200m surplus carried into 2021 should be returned to the Exchequer as part of standard practice and that accessing the central covid contingency money is by means of a supplementary budget.

End Year Position – Cash

- As a result of the HSE accounting for expenditure on an Income & Expenditure basis there is a timing difference between the recording of expenditure and the discharge through cash disbursement of the HSE's liabilities. This has become particularly evident where the HSE's budget has grown materially over the last two years as a result of COVID funding.
- DPER noted that government accounting is on a cash basis and, except for capital carryover, any balance of a Vote remaining unexpended at the end of the year must be surrendered to the Exchequer and cannot be used for services in the following year.
- Challenges were noted on how to best to fund the HSE to meet their liabilities and liquidity requirements while keeping within government accounting rules.
- DoH and HSE would progress work to find a solution to these challenges within Government Accounting Framework and would engage with DPER on this. DPER stated that a projection of cash drawdown is outstanding from DoH.

3. Acute Hospital Expenditure 2021

PER introduced a discussion of the drivers of expenditure within the Acute Hospitals Division, noting the overspend in both core and covid budgets to August 2021. HSE representatives provided an update on current pressures being experienced within the sector. PER agreed to circulate a paper on the analysis carried out to date, which noted that while overspending in core acute activity was being partially offset by time related savings as a result of delayed introduction of new measures, the trajectory of this expenditure over the remainder of the year could jeopardise the projected end year surplus.

Private Hospitals

- DPER queried the status of the Safety Net 2 and Safety Net 3 agreements and noted that Safety Net 3 has not be approved by the Government. DPER asked for the basis for sanctioning expenditure under SN3 to be clarified as a matter of urgency and for details of spending and activity on both Safety Net 2 and Safety Net 3 to be provided for evaluation purposes.
- The HSE noted that it would be difficult to separate these costs. They also noted that consideration would be given to a return to Safety Net 2 or the creation of a Safety Net 4 in light of the trend in Covid cases.

Waiting List Initiatives 2021

- DPER noted that Covid-19 is impacting the Waiting List Initiatives and stated that it seems Covid-19 costs are being offset largely by the delay in implementing new developments.
- DoH and HSE provided an update on these areas.

4. Staffing

Pay and Numbers Strategy update

- DPER noted a large decrease in nursing midwifery WTEs and queried whether the revised staffing target would be met.
- The HSE stated that they are not proposing to make any revisions at this stage that this is the first month where they have fallen short of their recruitment targets.
- DPER requested that the pay and numbers strategy be made available early next year.

5. COVID-19 Reporting and Monitoring

PPE

- DPER noted that information had recently been received from DoH relating to the actual level of spend on PPE.

Mandatory Quarantine

- DPER queried the status of the system and whether all capacity had been stood down.
- DoH highlighted that all hotels had been stood down and that gross figures will become available in the coming weeks when bills are settled. DoH noted that they are following up to reduce the overall net cost associated with the initiative.

Testing & Tracing

- DPER noted that tests are at 150k a month currently and stated that this area is expected to come in on budget.
- The HSE highlighted that a sanction will be needed for the total amount which had included the held back contingency funds of 205m. It was clarified that consideration of the held back funds is linked to the overall discussion on the end-year position.
- The HSE noted that there is resource challenges within contact tracing and that the workforce is unstable.

Vaccinations

- The HSE provided an update on the progress of the vaccination programme and on the new developments being made within the booster programme.

- The HSE noted that while the workforce is being reduced in places a significant level of capacity is being retained to administer further vaccines as needed.
- The HSE noted that the drawdown for this programme needs to be sanctioned.

<u>GP Fees</u>

- DPER noted the request for sanction to extend the payment of fees to GPs.

6. AOB

- The next meeting will take place on Thursday, 25th November 2021.