Health Budget Oversight Group (HBOG)
2.00pm, 13 January 2020
Department of Public Expenditure and Reform

Health Service Executive:	Ann-Marie Hoey, Stephen Mulvany, Liam Woods, Anne O'Connor, David Walsh, Tim Cummins
Department of Health:	Paul Bolger, Fiona Prendergast, Gerry O'Brien, John O'Callaghan, Kevin Colman,
D/Public Expenditure & Reform:	Ronnie Downes, David Owens, Terry Jennings, Robert Scott, Deirdre Collins, Patrick Moran, Albert Morris, Seán Prior, Cian McCarthy, Kevin O'Farrell

1. Introductions and Minutes from previous meeting

November Minutes agreed by all, in line with observations supplied previously.

DPER acknowledged the progress made to date within the Health sector in addressing serious issues with budgetary management and acknowledged the value of discussions at the Health Budget Oversight Group during 2019. DoH also welcomed this progress while noting that the controls that have been put in place are causing strains upon the system. There is no first charge expected this year in respect of 2019 as budget lines are estimated to have broken even overall, although HSE did say the figures supplied are preliminary.

2. End-year position/Pay and Numbers Strategy 2020

December staffing figures will be available later this week but the HSE expect staffing numbers for December to be one of the lowest December recruitment figures in recent years. Numbers are going to exceed the 119,127 WTE figure by several hundred from PNS 2019 but HSE explained this was considered affordable based on their internal validation exercise.

Pay and Numbers Strategy (PNS) timeline: The HSE are still working on the draft text of this. DoH have been consulted for obs. However, the HSE have already issued preliminary estimate limits to the system that operations are currently working off. RD emphasised the importance of having the 2020 WTE limit figure for the next HBOG meeting.

DoH asked about posts being counted in the limit but not actually being in place, it is estimated this means if they are recruited then the limit could be exceeded. HSE spoke about the "churn" rate and the need to "have a pipeline" in place for the posts being "held centrally". It was mentioned that there has been a lessening of the incidence of posts being applied for in excess of the WTE limits. The "churn" rate was discussed with the rate in ED nursing being higher than that experienced generally in the sector. There was a discussion of the nursing safe staffing pilots which it was explained are working well (in Beaumont, St. James and Cork) and help in establishing a staffing complement in hospital units.

The HSE have requested hospital groups to profile staffing for 2020. DPER advised that these profiles are of the utmost importance as a benchmark for use in HBOG discussions on a monthly basis.

Actions: DoH to offer DPER a presentation on the Safe Staffing Framework.
HSE to check if PNS required HSE Board sign-off
Technical discussions to take place in coming weeks between relevant units in DPER, DoH and HSE regarding costing of pay deals
November Financial Progress Report to be circulated

3. National Service Plan 2020 Update

HSE confirmed that the Pay & Numbers Strategy (PNS) has been shared with DoH and will be finalised within the next two weeks. DoH queried the €39m unallocated acute savings and HSE said this was a work-in-progress owing to senior management focus understandably being on service issues at present. DoH also spoke of the Pharmacy fees €45m issue in this general context.

4. Cost of new drugs

The HSE stated that no specific funding has been earmarked for new drugs in 2020 and the "ripple" effects of new drugs already approved would be larger in future years. This issue of the net Exchequer impact of past reimbursement decisions on DoH's future budgets is being discussed in other fora but may be brought up as a HBOG agenda item occasionally.

5. Budgetary planning

DoH requested that the three bodies have a discussion on how to improve the Budgetary Process going forward. The mid-year economic review expenditure estimate was referenced by DoH and the desire was expressed for a "realistic" ELS number to be worked out before the Budget/Estimates process fully engages.

6. Information/Discussion Note

The Information and Discussion Note taking stock of the first year of the HBOG was circulated and discussed. DPER reiterated that this is not a forum for policy discussion. DoH and HSE asked that the format of the Note be reconsidered by reference to the purpose served, and promised to forward observations, including some factual corrections.

Actions: DoH to send comments and observations about draft note circulated by DPER reviewing the first year of the HBOG. A revised note will be circulated prior to next meeting.

7. Any Other Business

Management Data Reports and their timeliness in being presented to DPER was discussed. It was outlined by the HSE and DoH that it takes 6-8 weeks following month end for these to be finalised for distribution to PER. DoH outlined that it was not appropriate to provide draft MDRs until there has been final sign-off. It was said the financials could be provided to DoH by the end of the following month, e.g. February financials by end-March but that the full signed off performance reports would take somewhat longer.

Actions: DPER and DoH to consider whether the relevant extracts or alternative

presentational approaches would be sufficient to meet the intended purpose, as distinct from pursuing the expedited release of MDRs per se.

Next meeting to take place on 27th February 3:00pm