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Further Reading: Cullinan J, Connolly S, Whyte R (2021) The Sustainability of Ireland's Health Care System. In Badi Baltagi and Francesco Moscone (Eds.) *The Sustainability of Health Care Systems in Europe*, Contributions to Economic Analysis, Emerald Publishing.

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The Sustainability of Ireland's Health Care System

Ireland's health care system is a unique mix of a publicly-funded health service and a fee-based private system. The distinctive and complex structure of the sector, which involves both public and private financing and delivery of services, has important implications for the allocation of resources and for sustainability. In addition, though Ireland currently has a relatively young population, it has experienced, and continues to experience, significant population growth. Moreover, the effects of Ireland's financial crisis, and subsequent economic contraction, had a major impact on the sector. Similarly, Covid-19 has presented a range of additional significant issues.

This research considered the long-term sustainability of Ireland's health care system, examining a range of determinants. Demand side factors impacting health care expenditure growth include demographic factors, income effects, and chronic disease. Supply side factors include labour costs and pharmaceutical prices, new technologies and drug therapies, and health care provider incentive structures. A further concern is the Covid-19 pandemic, which has required a dramatic health care system response within a very short time period. While there is still a high degree of uncertainty around the full impact and duration of the pandemic, it is likely to have implications for the medium-term sustainability of health care expenditure.

Key Findings

At present, health care expenditure in Ireland is relatively high. However, there is no universal entitlement to health care and access remains an issue for a number of services, with high out-of-pocket costs, inequitable access, and long waiting lists. Increasingly, there is a recognition that a changing demographic structure (including population growth and ageing), an increase in chronic diseases, as well as the development of new health technologies, will put further pressure on health care expenditure in the coming years. This raises questions about what can be done to ensure the sustainability of the Irish health care system, while it is important to note that there are also concerns around the sustainability of social care provision.

Policy Implications

There are a range of approaches that can be implemented to increase the financial sustainability of a public health system, including increasing the budget allocated to health care, or increasing the efficiency with which health services are delivered. A number of strategies and reform proposals relating to the Irish health care system have been produced over the past twenty years. Most recently, the *Sláintecare* report set out a long-term vision for health care in Ireland and overall it appears the proposals could help address some of the issues affecting the long-term sustainability of the Irish health care system.

Notwithstanding the importance of sustainability, there are also many other issues with the system that need to be addressed as a matter of urgency, in particular long waits for public hospital services and poor provision of many primary and community based services. This will be particularly difficult given the impact of the Covid-19 pandemic. Therefore, a key challenge will be to address the limitations of the current system, while at the same time balancing the need for expenditure control.