



Rialtas na hÉireann
Government of Ireland

Spending Review 2019

Health Workforce Consultant Pay and Skills Mix, 2012-2017

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**HEALTH VOTE, DEPARTMENT OF PUBLIC EXPENDITURE AND
REFORM**

AUGUST 2019

This paper has been prepared by IGEES staff in the Department of Public Expenditure and Reform. The views presented in this paper do not represent the official views of the Department or Minister for Public Expenditure and Reform.

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Irish Government Economic and Evaluation Service

Executive Summary

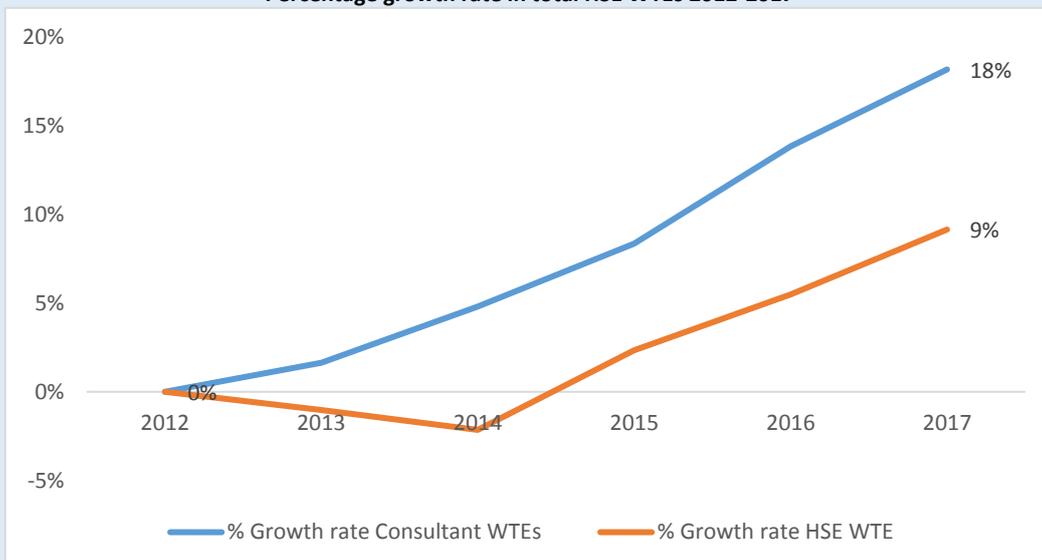
Features of Consultant Grade of employment

- In the Irish public health service, a Consultant is a specialist grade of doctor working in the acute hospital or community sectors.
- The purpose of this paper is to ascertain the total number of WTE Consultants employed by the HSE and the categories of consultant specialty employed.
- It also aims to provide a definite figure on the Consultants pay bill of in the context of over-all public expenditure, use this to undertake an international comparison and draw policy conclusions in light of the analysis.

Key Trends

- Almost 3% of the total WTE health service employment are Consultants.
- In the five years from 2012, the number of Consultants employed by the HSE has grown twice as fast as total HSE employment; 18% compared to 9% growth in overall HSE staff.

Percentage growth rate WTE Consultants employed/
Percentage growth rate in total HSE WTEs 2012-2017



Source: HSE – Health Service Personnel Census

- While there has been growth in the overall number of Consultant posts from 2015 to 2017, the Consultant skills mix employed by the HSE has remained relatively consistent.

- General medical Consultants account for the largest share of Consultant-type employed by the HSE at 25% with surgical Consultants accounting for 17%. Ireland and the UK are very similar in terms of the proportions of Consultant disciplines employed in the public health system.
- There are three main types of Consultant contracts available in Ireland under the 2008 Consultants' Contract; Type A, B and C. The contract types differ in terms of the amount of private work a Consultant is permitted to undertake in addition to their public workload and the location where this private work can be carried out. In Ireland 57% of all Consultants are on Type B.

Key Findings

- Serious data issues exist in this area, which become evident when attempting to definitively ascertain the numbers of Consultants in the public health care system, the contract type they are employed on and their salary. In researching this paper two divisions of the one organisation, the HSE, provided different figures on the number of Consultants employed at a point of time in the system. The definitive number of Consultants employed broken down by contract type and salary for 2017 is not available. This analysis is based on the best available data for this employment grade.
- Consultant pay is a function of location, specialty, grade, contract type, pay rate and when an individual entered service. The Consultants public pay bill is an estimated €531 million per annum.
- While Consultants comprise 3% of total HSE employment, average pay across grades estimates that they make up a much larger share of the overall pay bill at 8% of total pay and 9.5% of the basic pay bill.
- The majority of Consultants (85%) are employed in the acute hospital setting where almost two thirds of hospital expenditure consists of pay. In 2017, the basic *pay bill* of acute hospitals was almost 60% of acute hospital *expenditure*. While 4% of acute hospital employment is Consultants, they comprise 17.5% of the acute hospital pay bill in basic pay.
- The gross salaried annual income of Consultants in Ireland has remained higher than the United Kingdom and New Zealand over the 2012-2017 period.

1. Introduction

Consultants comprise a small percentage of the health care workforce (3%) but are senior clinical decision-makers with ultimate responsibility for patients under their care. Public health expenses are rising with the pay bill being a large driver of this increase. It is against this backdrop that this paper examines the number of Consultants in 2017 and the mix of Consultant disciplines employed in the public health system in Ireland. It also considers the cost of Consultants in the context of overall health spend and undertakes an international comparison on remuneration to assess Consultant salaries in Ireland in relation to other jurisdictions.

The key objectives of this paper are to:

- Identify the total number of WTE Consultants employed by the HSE in 2017
- Examine the composition of Consultants in terms of specialism employed by the HSE
- Analyse the remuneration and pay rates of Consultants in Ireland in the context of total expenditure of the HSE
- Draw policy conclusions in light of the above.

This paper begins with an overview of Consultant services and their skills mix. It goes on to look at the numbers and composition of employment in the Irish healthcare system, pay rates and remuneration of Consultants in comparison to international Consultant salaries. The paper concludes with a discussion and an outline of areas for further research.

2. Data

Serious issues exist in terms of data around the Consultant employment grade, which became very evident when attempting to ascertain the numbers of Consultants in the public health care system, contract types and corresponding salary.

Data on Consultant numbers employed in the public system was collated from the HSE National Doctors Training and Planning (NDTP) unit, and HSE Employment Reports and HSE Performance Reports in researching this paper. **Reports from the one organisation, the HSE, provided different figures on the number of Consultants employed at a point of time in the system.** Therefore, the *definitive* number of Consultants employed broken-out by contract type and salary is not available.

HSE employment figures are not recorded by contract type. In other words, the HSE human resource (HR) unit record the numbers of Consultants employed but not by contract type. These figures are not recorded in a manner that tracks overtime.

It is a characteristic of payroll data that, at its most basic level, it details the number of employees in a system that are being paid at each grade and the associated cost of each. However, the numbers of WTE Consultants linked to their salary and therefore the total cost of Consultant pay to the Exchequer was not available from the HSE for analysis. **The HSE were unable to generate a definitive pay bill figure for the Consultant grade. Not being able to obtain this type of employment data in a transparent, organised and consistent manner raises concerns regarding the systems in place to monitor pay and staffing at this level.**

The National Doctors Training and Planning (NDTP) data is dependent on clinical sites inputting details of their Consultant workforce and is 90% complete. The analysis in this paper is based on the best available data for this employment grade; a combination of HSE Employment Report data, HSE Performance Reports and NDTP data is used. A number of assumptions with regards where along the salary scale a Consultant lies, median salary and numbers that are eligible for allowances are used to calculate an estimated Consultant pay bill.

2.1 Overview of Consultant Services and Skills Mix

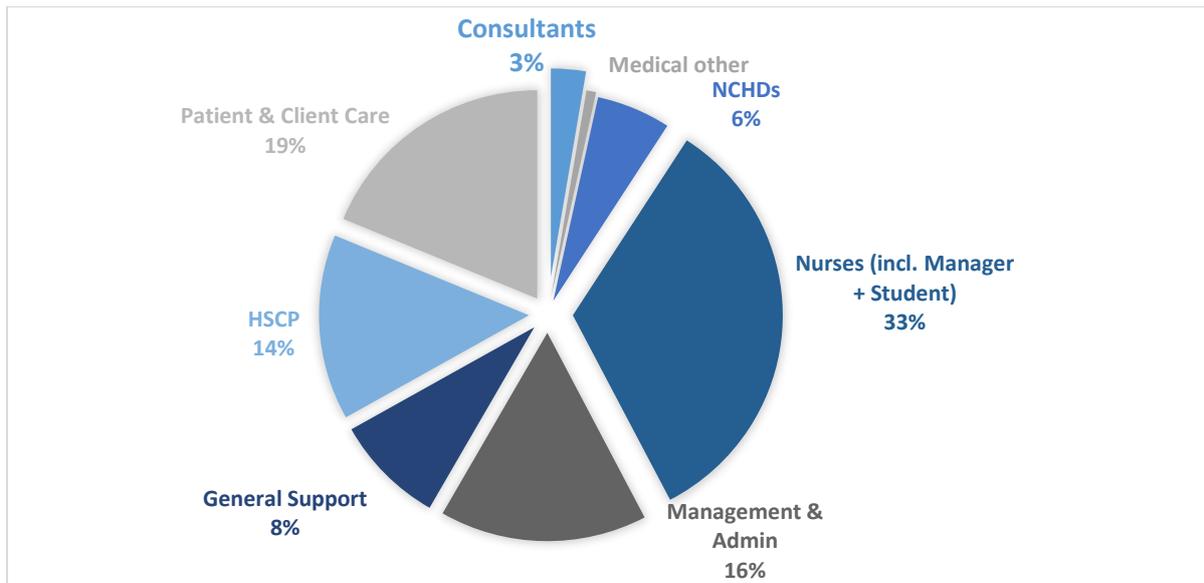
In the Irish public health service, a Consultant is a specialist grade of doctor working in the acute hospital or community sectors. Consultant roles include diagnosing, treating and referring patients and within clinical governance structures, having primary responsibility for clinical decisions in relation to patients under their care.

Consultants also train and supervise non-consultant doctors throughout their training programmes. Consultants with academic appointments teach in universities, as lecturers or professors, and many engage in research in their specialist field.

Consultant posts in publicly funded hospitals, Mental Health Services and health agencies are regulated under the Health Act 2004, by the HSE. The HSE's regulatory function covers all Consultant appointments in the public health service in Ireland including HSE hospitals, voluntary hospitals, Mental Health Services and other agencies whether additional, replacement, temporary or locum and irrespective of the extent of the commitment involved or source of funding of the appointment.

To qualify for appointment to a Consultant post in the public health system, a doctor is required to register with the Medical Council on the Specialist Division of the Register. The Irish Medical Council recognises over 50 medical specialties in which doctors can train.

Figure 1 Health Service Employment Composition, 2017



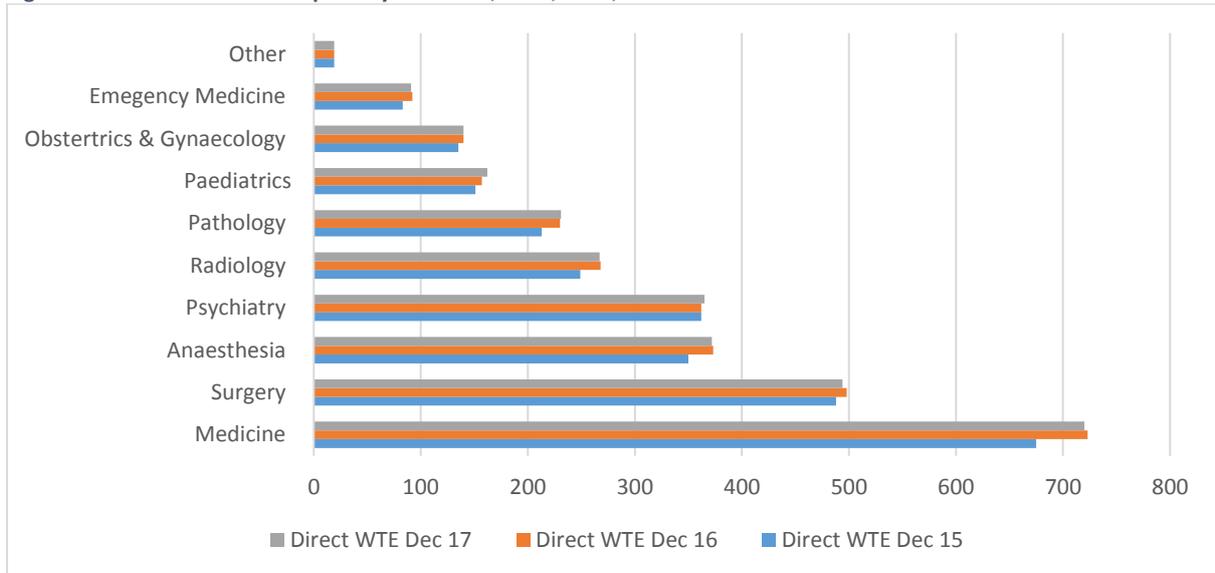
Source: HSE Health Service Employment Report, December 2017¹

In December 2017 almost 3% of total WTE health service employment were Consultants with 6% being non-Consultant hospital doctors (NCHDs or junior doctors); a NCHD to Consultant ratio of two to one. Nurses account for the largest share of health service employment at 33%; a nurse to Consultant ratio of over 12 to 1.

While there has been growth in the overall number of Consultant posts from 2015 to 2017, the Consultant skills mix employed by the HSE has remained relatively consistent. The increase in Consultant numbers has varied between the disciplines during this period. General Medicine posts grew by almost 7% and remained the speciality with the largest number of Consultants employed. While Surgery increased by just 1% it remains the second highest speciality in terms of Consultant numbers. Emergency Medicine increased by almost 10% but remains one of the specialties with the lowest Consultant numbers.

¹ <https://www.hse.ie/eng/staff/resources/our-workforce/health-service-employment-report-dec-2017.pdf>

Figure 2 HSE WTE Consultant Specialty Skills Mix; 2015, 2016, 2017*



Source: HSE Performance Reports² (*total WTE at Dec 2017, 2,861).

² <https://www.hse.ie/eng/services/publications/performance-reports/2017-performance-reports.html>

Box 1: Comparison of UK and Ireland Discipline Mix

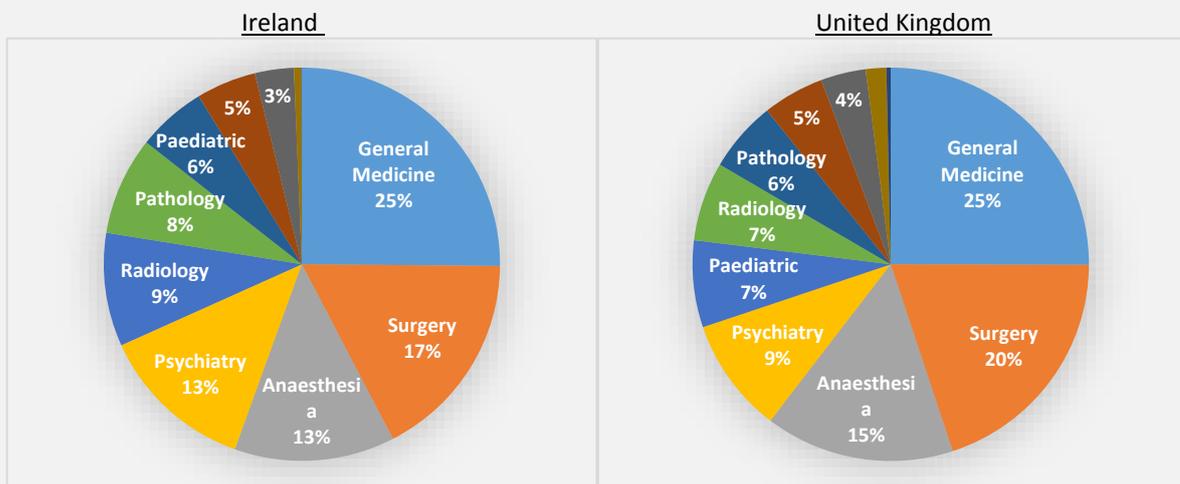
General medical Consultants account for the largest share of Consultant-type employed by the HSE at 25% with surgical Consultants accounting for 17%. *Note that these figures relate to the number of Consultants in posts as opposed to the number of posts themselves. Oncology figures are included with radiology and general medicine in Ireland but are fully included in General Medicine in the UK.

Ranking	Discipline	Ireland
1	General Medicine	25%
2	Surgery	17%
3	Anaesthesia	13%
4	Psychiatry	13%
5	Radiology	9%
6	Pathology	8%
7	Paediatric	6%
8	Obstetrics & Gynaecology	5%
9	Emergency Medicine	3%
10	Other	1%
	Total Number Consultants	2,861

Ranking	Discipline	UK
1	General Medicine	25%
2	Surgery	20%
3	Anaesthesia	15%
4	Psychiatry	9%
5	Paediatric	7%
6	Radiology	6%
7	Pathology	6%
8	Obstetrics & Gynaecology	5%
9	Emergency Medicine	4%
10	Other	2%
	Total Number Consultants	46,007

Ireland and the UK are very similar in terms of the proportions of Consultant disciplines employed in the public health system. More interestingly in a ranking exercise, the breakdown of Consultant specialty employed in percentage terms from largest to smallest. They are very similar with the top four and bottom three in the same order. Out of the ten disciplines ranked, only three mid-table did not align to the UK in terms of ranking; radiology, pathology, paediatric; and even then there is only a 1-3% difference in those specialties employed between the two countries and a difference in one or two in ranking terms.

Figure 2 Breakdown of Consultant disciplines



Source, HSE Performance Report, December 2017; National Health Service (NHS) Workforce Statistics, August 2017 (This data relates to the Hospital and Community Health Services (HCHS) workforce directly employed in NHS Trusts and Clinical Commissioning Groups (CCGs) who are paid).

3. Consultant Numbers and Skills Mix

This section looks at total numbers of WTE Consultants employed in the public health system.

As outlined in Table 1, over the period under analysis WTE Consultant numbers increased from 2,514 in 2012 to 2,971 in 2017; a recruitment rate of over 91 WTEs per annum and a growth rate of 18%. The contract types of these numbers employed and the estimated cost associated with each is discussed in the next section.

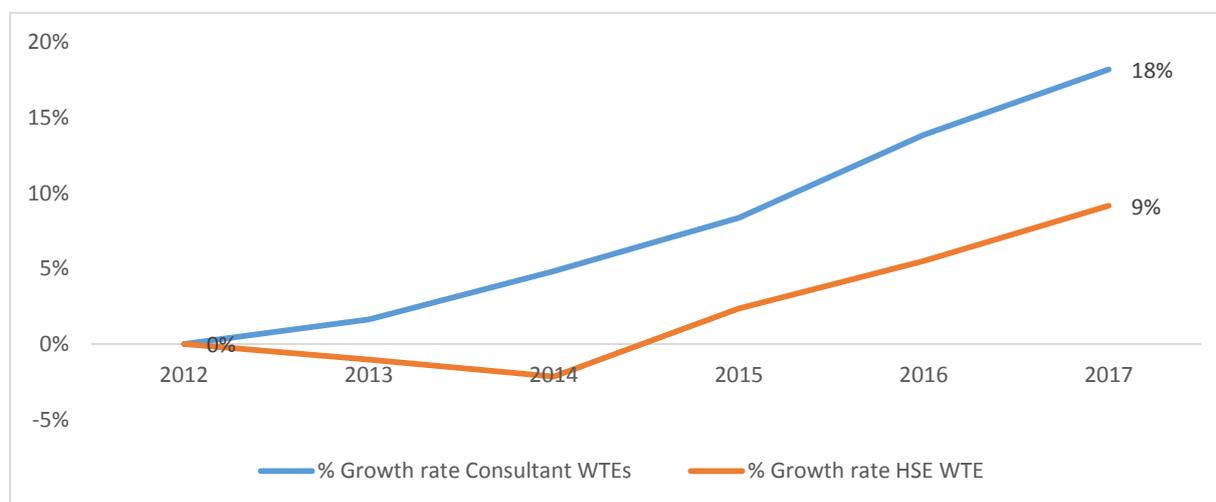
Table 1 Number of WTE Consultants employed in the public health system, 2012-2017

Year	2012	2013	2014	2015	2016	2017	% increase 2012-2017
Consultant Numbers	2,514	2,555	2,635	2,724	2,862	2,971	18%
% Annual Increase	-	1.6%	3.1%	3.4%	5.1%	3.8%	

Source: HSE Health Service Employment Reports: December 2012, 2013, 2014, 2015, 2016, 2017

The total number of WTE staff in the HSE increased from 101,506 to 110,795 in the same period; an increase of 9%³. Figure 3 graphs this comparison of growth rates between total HSE staffing and Consultant numbers.

Figure 3 Percentage growth rate WTE Consultants employed/ Percentage growth rate in total HSE WTEs 2012-2017



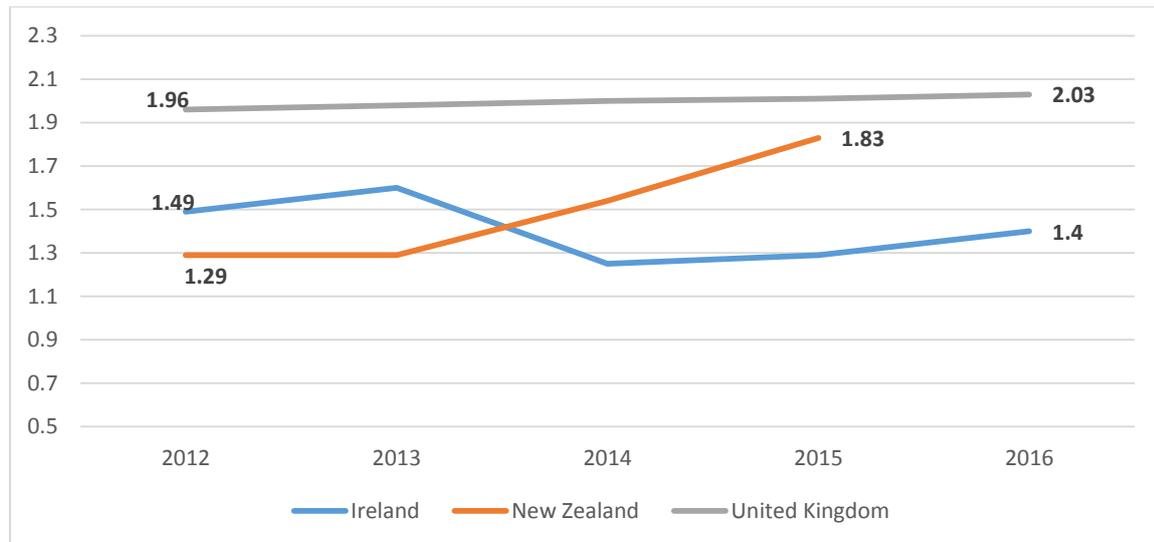
Source: HSE – Health Service Personnel Census

As evident in Figure 3 above, although the total number of HSE employees increased over the period, the rate at which Consultant employment grew is far greater; 18% compared with 9% – double the growth of total HSE employment. This illustrates that Consultant employment was prioritised over the period.

³ This does not take into account agency staff hired by the HSE.

The density of Consultants expresses the total number of Consultants available per 1,000 population. Ireland's trend over the period 2012 to 2016 has been somewhat irregular. From 2012 to 2013 the density of Consultants increased slightly. However although Consultant numbers in Ireland did rise by 3% between 2013 and 2014, density fell by 0.35 Consultants per 1,000 population, as the total population grew at a faster rate. Ireland's density of Consultants has been rising again since 2014, the end of the public service recruitment moratorium⁴ but had not returned to 2012 density by 2016.

Figure 4 Density of Consultants in Ireland, New Zealand and United Kingdom, 2012-2016



Source: Organisation for Economic Co-operation and Development (OECD)⁵

A number of reasons may explain Ireland's perceived low density of Consultants in comparison to New Zealand and the United Kingdom (UK). Firstly, there is the type of healthcare system in place with many countries operating in healthcare systems that do not have independent General Practitioners, as hospital-based medical specialists also provide primary care services. In that context, when reviewing comparative data regarding medical specialist or 'Consultant' numbers in other countries it should be noted that we generally compare Consultants in Ireland to all medical specialists while it may be more appropriate to compare Consultants and General Practitioners numbers in Ireland as a whole to medical specialists in other countries.

Secondly, the population age profile needs to be considered. A 2018 Healthy Ireland publication⁶ found that the over 75 year old age group have the highest percentage of at least one visit/ admission per year for consultant visits and public hospital admissions compared with other age groups.

⁴ During the period of austerity, medical Consultants were excluded from the health sector recruitment moratorium. The 2009 number employed (2,317 WTEs) was used as the reference below which numbers employed could not fall.

⁵ https://stats.oecd.org/index.aspx?DataSetCode=HEALTH_REAC

⁶ Department of Health, 2018. <https://health.gov.ie/wp-content/uploads/2018/10/Healthy-Ireland-Survey-2018.pdf>

Although the elderly population increased in numerical terms in Ireland in the 5-year period since 2012, it is still a small proportion of the overall population. The greatest proportion of the population remains under 40 years of age, with Ireland's elderly population (over 65) significantly lower than the EU average. New Zealand has an aging and growing population with potentially more demands on the health care system.

Box 2: Contract Types Explained

Since April 2008 all newly appointed Consultants have been employed under Consultant Contract 2008. Taken together with those existing Consultants who transferred from older contractual arrangements at that time - 83% of Consultants hold Consultant Contract 2008 while 17% retained older arrangements such as Consultant Contract 1997 or Consultant Contract 1991.

Consultant Contract 2008 and earlier contracts provide for a range of contract ‘categories’ or ‘types’ which differ in relation to access to private practice and on that basis, pay. Salary rates decline in line with the extent of the Consultant’s access to off-site private practice.

As they do not engage in collective industrial relations, Consultants are employed under a number of different contracts and within those contracts, hold different contract categories or contract types. **There are three main types of Consultant contracts available in Ireland under the 2008 Consultants’ Contract; Type A, B and C.** Under Consultant Contract 2008 Consultants work a 39 hour week. A Consultant can change between the type of contract they are signed up to on a five-year interim basis.

Type A Consultants cannot engage in private practice and must work solely for a public service employer. Type B, B*, C, Category 1 and Category 2 Consultants can engage in private practice on the public site. In addition, some Type B and all of B*, C, Category 1 and Category 2 Consultants can engage in private practice outside the public health service site.

Contract type	Salaried Public hours	Public practice	Allowable on-site private practice	Allowable off-site private practice
Type A	39	●	-	-
Type B	39	●	●	●/-
Type C	39	●	●	●
Type B*	37	●	●	●
1997 Category I	37	●	●	●
1997 Category II	37	●	●	●

Source: HSE <https://www.hse.ie/eng/staff/resources/terms-conditions-of-employment/ccontract/>

As per the table above, while the various contracts permit varying levels of private activity, this is not currently monitored and collated by the HSE at individual Consultant level (C&AG Control of private practice activity in acute public hospitals <https://www.audit.gov.ie/en/Find-Report/Publications/2018/2017-Annual-Report-Chapter-16-Control-of-private-patient-activity-in-acute-public-hospitals.pdf>)

3. Remuneration and Pay Rates of Consultants

a) The basis for Consultant pay

Consultant pay is a function of location, specialty, grade, contract type, pay rate and when an individual entered service. Due to data limitations, it is difficult to get a comprehensive picture of salaries in terms of total cost to the Exchequer. This is due to variations in data reporting from within

the HSE itself an incomplete NDTP data set, different types of contracts and scales, multiple entry levels to these scales and lack of data on where an individual currently lies on their scale. For example, given three new entrant contract types – A, B and C, each with a 9 point pay scale, there are 18 separate pay points on which new entrants can be appointed on and 9 further pay points available on individual applications, as well as movement along pay scales, making it difficult to get an accurate average of Consultant costs at any one point in time. To overcome these shortcomings in data reporting and the complexity in salary calculations, this paper uses HSE National Doctors Training and Planning (NDTP) data which itself makes a number of assumptions regarding the number of Consultant posts and where the majority of Consultants on each contract type lie on the salary scale currently.

b) Pay disparity for new entrants since October 2012

There is a pay disparity between pre-October 2012 entrants into Consultant service and those recruited post-October 2012. New entrant (post-October 2012) salaries range from 51% to 14% lower depending on an individual's point on the scale when compared with that of their predecessors⁷. On average, there is approximately a 32% differential in salary. Following on from this it is not possible to fully disaggregate Consultant pay levels from the overall HSE pay bill. The HSE do not isolate Consultant pay in national reporting or separate it from broader 'medical/ dental' pay.

Table 2 Consultant Numbers and Total Cost of Direct Salary per annum of Consultant Contracts – estimate at August 2018 for 31 Dec 2017⁸

Contract Type	Pre-2012 entrants numbers	Pre-2012 entrants salary	Pre-2012 Entrants Cost	Post-2012 entrants numbers	Post-2012 entrants salary	Post-2012 Entrants Cost	Total Salary Cost
Type A	273	€189,783	€52m	212	€158,935	€34m	€86m
Type B	963	€176,849	€170m	685	€144,959	€99m	€270m
Type C	68	€156,983	€11m	84	€123,583	€10m	€21m
Type B*	284	€153,000	€44m	-	-	-	€44m
1997 I	180	€165,600	€30m	-	-	-	€30m
1997 II	161	€149,930	€24m	-	-	-	€24m
1991	2	€149,930	€0	-	-	-	€0
No records associated with	35	-	-	-	-	-	-
Total Numbers + Costs/ Average Salary	1,966	€163,154	€331m	981	€142,492	€143m	€474m

⁷ Following an engagement at the Workplace Relations Commission (WRC), new entrant pay was substantively restored with effect from 1st September 2014. Subsequently and arising from the provisions of the Public Service Agreements Ministerial sanction has issued for payment of a series of pay increases with effect from 1st April 2017, 1st January 2018 and 1st April 2018. In June 2018 a High Court Settlement Agreement was concluded between DPER, DoH, the HSE and Consultant representative organisations providing for restoration of 2008 pay rates (adjusted by FEMPI) for Consultants taking up post up to 30th September 2012 with effect from the date of settlement – 15th June 2018.

⁸ Estimated salary determined where on the scale a Consultant may lie. Note that this figure would be higher for some Consultants due to different stages of increments and other types of contracts not included here.

Source: HSE National Doctors Training and Planning (NDTP) data DIME, Employment Details Report (excluding Agency Tenure)

Table 2 shows estimated pay costs of Consultants as of December 2017. Total Consultant numbers in Table 2 differ to the earlier figure used for analysis of WTE numbers of 2,971 from the HSE Health Service Employment Reports. The NDTP who provided data for Table 2 regulate Consultant posts. Their total number is an assumption, as the NDTP data set is only 90% complete. NDTP assume the missing data is in relation to post October-2012 entrants. This may explain part of the variance and gaps in data. However it is the best national dataset currently available to undertake this analysis.

Although an estimate, the NDTP data sheared with D/PER, links consultant contract types by numbers employed and salary estimates and so is used for this analysis.

From the analysis above, using NDTP estimates of numbers employed at 31 December 2017, this paper calculates that the total basic salary costs of Consultants in the HSE, in December 2017, summed to €474m per annum. This does not take into consideration an estimate for allowances.

The salaries outlined in Table 2 above are representative of pre-October 2012 entrants who are on the highest point of their salary scale for two reasons. It is assumed that the cohort of Consultants who entered pre-2012 are by now be on the top of their scale and those Consultants in place when the 2008 contract was offered were transferred automatically to the top point. For example with Type A pre-October 2012 contracts, there are 7 rates of pay and the figure of €189,783 is the top point of the scale of the highest rate in that contract type. For post-October 2012 entrants, the salary used for analysis is the fifth point of a nine-point scale under a median incremental credit assumption.

62% of those on the 2008 Consultants' Contract are on pre-Oct 2012 contracts with 66% of 2008 contract costs being spent on these pre-2012 contracts.

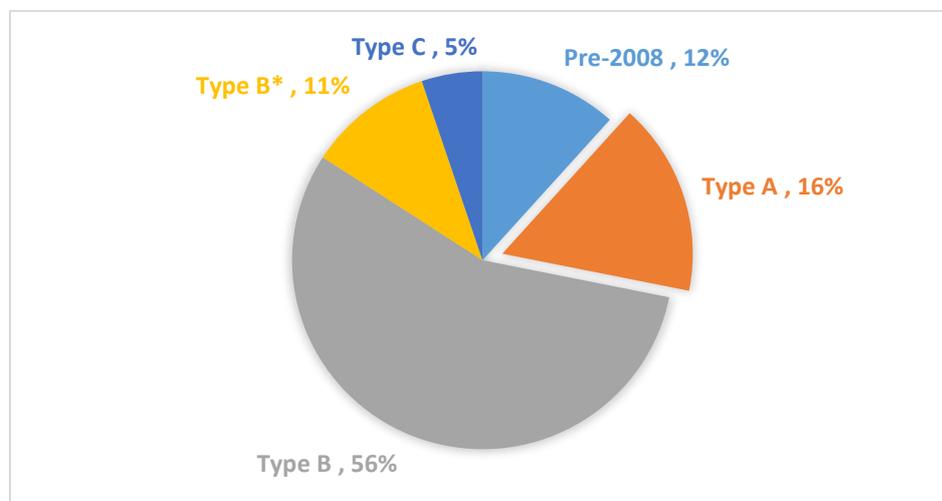
In the data received the HSE, 35 WTEs do not have a corresponding contract type or salary associated with them as the HSE database does not have the credentials to match these posts. Using the NDTP assumption that these individuals are on post-2012 contracts, there is between €4.3 million and €5.6 million additional in the basic pay bill not embedded in the calculations in this analysis. In essence there is an average of €4.9 million in Exchequer spend in this grade that we don't have sight of in terms of Consultant contract type and salary scale that these funds are potentially linked to.

c) Distribution of Consultants by contract type

There are more Consultants on a Type B contract than any other type of contract; in fact, there are more on Type B contracts than the sum of all other contracts. Type B contracts account for 57% of the total pay costs of all Consultant contracts; not only is this type the largest in terms of Consultant

numbers employed, the majority of those are on the pre-October 2012 higher salary scales. Type C, accounts for the lowest share of basic pay at 4.4% of total salary costs.

Figure 5 Proportion of Contract Types among all Public Consultants December 2017



Source: HSE data

In addition to their base salary, Consultants can receive a range of allowances outlined in Table 3.

Table 3 Consultant Allowances - estimate 16th April 2018

Allowance Type	Current No Consultants Eligible	Addition to Base Salary	Total Potential Cost of Allowance
Clinical Directors	75	€46,000	€3m
Previous Clinical Directors who retained additional sessions	15	€43,000	€1m
Consultants paid additional sessions	50	€43,000	€2m
B Factor (liability for on-call)	2,500	€10,000	€25m
C Factor (attendance on-site when on-call)	1,700	€10,000	€17m
Continuing Medical Education Allowance	2,947 ⁹	€3,000	€9m
Average addition/ Total Allowance Cost estimate		€25,833	€57m

Source: HSE National Doctors Training and Planning (NDTP) data

Consultants all receive the same allowance remuneration in addition to their base salary if they are eligible for such an allowance, regardless of where they are on the salary scale or when they entered Consultant service.

e) Estimated pay

Taking Table 2 and Table 3 together, we get an overall total estimate of Consultant pay and cost to the exchequer. **The Consultants pay bill is an estimated €531 million per annum.**

⁹ This figure is total number of Consultants used in this analysis (NDTP data) as all practicing Consultants are eligible for this allowance.

Total public health expenditure grew by almost 13% over the five year period from 2012 to 2017 with gross health spend per capita growing by almost 9%. Details regarding Consultant numbers employed and corresponding salaries were not made available by the HSE for the full period under analysis, so a Consultant pay trend analysis over the period was not possible to conduct.

Overall HSE basic pay increased by 6.5% over the period. The overall HSE pay bill in 2017, including agency and overtime, was €6.7 billion¹⁰ with the total basic pay totalling €5 billion. **While Consultants comprise 3% of total HSE employment, average pay across grades estimates that they make up a much larger share of the overall pay bill at 8% of total pay and 9.5% of the basic pay bill.** This is not surprising as Consultants have ultimate responsibility for patients under their care and the Consultant grade remuneration is historically higher than other health care professionals.

This paper does not include the cost of clinical indemnity, which also covers Consultants' private practice onsite in a public setting. Consultant academics are entitled to €45,000 in addition to their base salary. What contract type these are on and the number in the system at December 2017 is not defined in the HSE data received and so is also not included in cost estimates in this analysis.

This paper also estimates the total pay bill of Consultants in the acute hospital setting, where 85% of Consultants in Ireland are employed. Acute hospital employment makes up 52% of total HSE employment. The hospital sector is by far the largest area of HSE expenditure, with acute hospitals accounting for over a third of net health expenditure in 2017¹¹. Acute hospital expenditure rose by 14% over the period under analysis. In 2017 the basic pay bill cost of the Acute Hospital sector was €2,696 million; almost 60% of acute hospital expenditure.

The extrapolated number of Consultants employed in acutes is 2,505¹² at a cost of approximately €403m.

In other words, while 4% of acute hospital employment is Consultants, they comprise 17.5% of the acute hospital pay bill in basic pay alone. In essence, although the number of Consultants employed in the HSE as a whole and in the acute hospital setting is a low percentage of overall employment, Consultants make up a larger share of the total pay bill with their basic salary even before allowances, agency and overtime pay is taken into account.

¹⁰ HSE Employment Report, 2017 <https://www.hse.ie/eng/staff/resources/our-workforce/overall-national-employment-report.html>

¹¹ Management Data Reports, 2017 <https://www.hse.ie/eng/services/publications/performance-reports/2017-performance-reports.html>

¹² The HSE Employment Report (2017) estimates that there were 2,515 Consultants working in the acute hospital setting in 2017; also over 4% of hospital employment. The figure of 2,505 is calculated from HSE NDTP estimate data for December 2017 and is used for continuity purposes as these are the numbers that were provided in line with salary estimates.

To summarize this section, Consultant pay is one of the most complex in the health system due to a wide array of elements influencing what contract type a Consultant is on, differing entry points to each and where along the scale an individual Consultant may lie. There is also the added complexity of allowances and overtime, who is in receipt of these and to what degree. However, it is not just the complexity of the salary system but the issue of inadequate data in terms of Consultant staff numbers linked to contract types and salaries that makes any analysis of total Consultant pay in the Irish public health system particularly problematic to establish. HSE pay and numbers data on Consultants in this paper are estimates by the HSE. **The definitive number of Consultants employed broken down by contract type and salary for 2017 is not available.** This is striking given they account for approximately €474 million in basic pay annually.

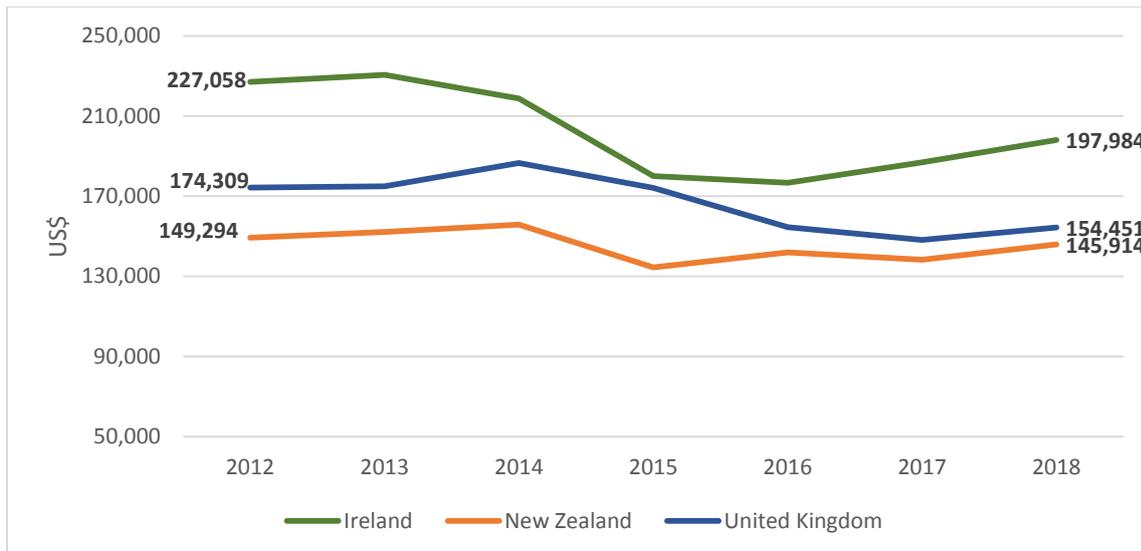
4. International Comparison

An international Consultant remuneration comparison is complex, not least due to the differing health care systems that Consultants operate, income tax and the purchasing power of salary awarded.

As mentioned earlier in Section 2, when reviewing density regarding medical specialist numbers, we generally compare Consultants in Ireland to all medical specialists in other countries when we should potentially be comparing Consultants and General Practitioners together in Ireland to medical specialists in other countries. The same is true for a pay comparison. Despite the issues outlined, a remuneration comparison is a worthwhile exercise as despite differences, Consultant skills are transferrable in an international context and the issue of recruitment is one that arises frequently.

Figure 5 Gross Consultant Salaried Annual Income¹³ US\$ 2012-2018

¹³ OECD sources: Data for Ireland relates to specialists working in publicly funded hospitals and excludes income from private practice. Figure also excludes call-out payments and allowances. A weighted average of consultants in each contract type was calculated by the OECD. New Zealand data is from a survey of full time equivalent salaries for senior medical staff at district health boards. UK estimates are based on England figures and include all additional income such as bonuses and overtime payments.



Source: OECD

Entry-level salary for Consultant posts in Ireland vary. Where an individual Consultant lies on each scale in terms of increments as well as actual contract types makes it difficult to get an average of what Consultants as a whole are earning at any one point in time. Despite the large variety in contracts available to Consultants and the complex administrative landscape of the HSE, making any direct comparison difficult with other jurisdictions, OECD data allows a form of meaningful comparison.

Although the salaried income of a Consultant in Ireland per average wage fell continuously from 2012 to 2016, it remained over three times higher than the average Irish working wage. Between 2012 and 2016 the gross salaried annual income of a Consultant working in Ireland fell by 22%. However, it is evident from Figure 5 that Ireland was starting from higher base level salary than New Zealand and the United Kingdom and that level remained higher for the 7 years under analysis. In 2012, Ireland's gross Consultant salary was 30% higher than that of the UK and 52% above New Zealand. Despite Ireland's Consultant annual salary decreasing between 2013 and 2016, it remained higher than that of its UK and New Zealand counterparts. Average Consultant salary has been rising since 2016 and remains higher than specialist salaries for the comparator countries. In 2018, Consultants in Ireland earned 28% more than their UK counterparts and 36% above their New Zealand based colleagues.

In the years since 2016, Consultant salaries in Ireland have risen 12%, compared with a 3% rise in New Zealand. Like in Ireland, Consultants in New Zealand can work in public or private practice or a combination of both.

Canada, Australia and the United States would be of benefit to include in analysis, as they are English-speaking countries popular with Irish emigrants, including those in the medical profession. Remuneration for specialists in Canada, Australia and the United States are not included in the

comparator graph as public remuneration was not available in the OECD data set for the period under analysis. Any addition with another data source to the trend would be potentially a mismatched comparison in this instance due to the complexity in calculations undertaken by OECD in streamlining data and ensuring adequate comparisons.

A separate calculation of salaries shows the average medical specialist wage in Canada¹⁴ in 2017 at US\$237,091; 27% above that of salary in Ireland at that time. The USA average specialist wage was US\$294,000¹⁵ in 2018, 48% above that of Ireland. Australia¹⁶ also had above the Irish Consultant wage. In 2018, the average wage in New South Wales, used as proxy for Australia in this analysis, was 4% above that of Ireland.

These findings are in line with a 2018 Report of the *Public Service Pay Commission, Recruitment and Retention Module 1*, which found net Consultant hourly pay for new entrants to be competitive relative to that of the UK, with Canada and the United States receiving higher rates of specialist pay.

5. Discussion

Numbers and skills mix

Health spend per capita has been steadily increasing since 2013; a period when the population increased by 2.4% and health spend grew significantly by 15%. It is within this context that this paper set out to provide an overview of Consultant employment in Ireland in terms of, numbers employed, disciplines employed, types of contracts held, corresponding pay and remuneration in an international context.

The paper highlighted an increase in the number of Consultants employed since 2012, and rising density since 2014. In fact the growth in the numbers of Consultants employed over the period were found to have increased at double the growth rate of total HSE employment, 18% versus 9%. The health pay bill has risen over the period, of which 9.5% was Consultant basic pay in 2017. **Consultants are a high cost component of public health employment.** As well as the Consultant disciplines

¹⁴ Canadian Institute for Health Information, *Physicians in Canada, 2017* <https://www.cihi.ca/en/access-data-reports/results?query=gross+clinical+payment+per+physician&Search+Submit=> Exchange rate as of July 2018.

¹⁵ <https://www.medscape.com/slideshow/compensation-2017-overview-6008547#2>

¹⁶ New South Wales Government information bulletin, 2018 https://www1.health.nsw.gov.au/pds/ActivePDSDocuments/IB2018_028.pdf NSW is the most populated Australian State with health care one of the major industries that employ people in the region and so was used as a proxy for the average specialist wage in Australia.

employed in Ireland being in line with the types and ratios employed in the NHS, this skills mix has remained relatively consistent over the period under consideration.

Remuneration

Consultants in Ireland were found to have a gross annual salary that was consistently higher than the UK and New Zealand during the period under consideration, despite Consultants post-October 2012 entering the system on a lower salary scale. Government policy to move to a Consultant delivered service meant that this employment grade was exempt from the moratorium during the economic recession, although employment was restricted and their pay remained competitive in comparison to other countries despite having fallen during the period. This paper reinforces the 2018 Pay Commission Report that Consultants pay in Ireland is competitive relative to the UK but below that of the United States and Canada. As per section 4 above, the average pay in Australia is just 4% above average in Ireland. However, with the *Financial Emergency Measures in the Public Interest (FEMPI)* restorations that have occurred already in 2018 and 2019 under the Lansdowne Road Agreement¹⁷ and those scheduled under the PSSA¹⁸ as well as the New Entrant 'increment skip' measures taking effect from March 2019, it could be reasonably argued that Consultant pay rates in Ireland are becoming increasingly competitive with those in Australia.

Consultant delivered care

Given that it is health policy that there should be a move towards Consultant *delivered* care, further analysis is required to assess whether, despite the increase in numbers employed, if the increase is sufficient to deliver this policy. Due to the poor levels of consistent data across the public health care system, it is unclear if the Consultant grade is being used efficiently to improve health outcomes and if the reasons for some disciplines rising at faster rates than others is due to a reaction in demand for such skills or another underlying factor. International evidence shows that the Consultant delivered mode of care improves outcomes for patients and it is arguably more cost effective in the long-term. It will be difficult to ascertain this cost effectiveness in an Irish context without sufficient data on pay and outcomes.

¹⁷ Phased restoration of Haddington Road Agreement (HRA) reduction, on April 2018 and April 2019 – approx. 4.5% combined.

¹⁸ 1.75% September 2019 and 2% October 2020.

Data

Data concerns, specifically the lack of comparable data on this grade, became increasingly evident in researching and drafting this paper. It is difficult to get accurate Consultant numbers employed linked to contract type and salaries at a given point in time and so a number of assumptions were made by the HSE and the author. In addition to this, accurate and consistent figures in terms of Consultant pay over the period could not be fully disaggregated from the total health pay bill.

The body employing these Consultants, the HSE, does not have a definitive figure on the number Consultants employed linked to contract type or the annual cost of employing them.

In light of the above, definitive trends in the Consultant pay bill was not possible to graph over time. **It is imperative that a more informative dataset is compiled, maintained and made available on Consultant numbers, pay and the costs of this grade to the Exchequer going forward.**

Such data quality issues need to be resolved so the landscape of this high cost component of the health service pay bill is clear. A more comprehensive database is required on this grade to analyse Consultant efficiency and effectiveness of the current mode of Consultant care delivery. Table 4 below outlines the basic data that should be collated and made available by the HSE.

Table 4 Data Issues to be resolved

Priority	Data required	Data quality issues
1.	Definitive number of Consultants employed linked contract type with corresponding numbers on each type by specialty.	<ul style="list-style-type: none">• A definitive number of Consultants in the public health care system linked to pay data is not available• Due to issues in reporting total numbers, the corresponding contracts linked to these is also an incomplete data set• In the data set utilised for this paper, 35 Consultants were not linked to any contract type or a corresponding salary amount
2.	When a Consultant entered health care system	<ul style="list-style-type: none">• Not available
3.	Where a Consultant is on their salary scale.	<ul style="list-style-type: none">• Should be available from payroll data but not currently reported.
4.	Consultant pay bill disaggregated	<ul style="list-style-type: none">• The HSE do not isolate Consultant pay in national reporting• Consultant pay is not separated from broader 'medical/ dental' pay• Pay bill is not currently disaggregated by contact type and discipline• Cost of allowances paid each year are not disaggregated in reporting
5.	Total Consultant pay bill	<ul style="list-style-type: none">• There is no definitive cost to the Exchequer of the Consultant grade on an annual basis

Future analysis

Further analysis on this topic would be of benefit going forward. The age cohort of Consultants on each type of contract, population pressures on the health care system and a forecast on the proportion of Consultant numbers that will be required in the public health system in the coming years, international competition in terms of recruitment, analysis of what specialties are experiencing recruitment issues and geographical locations of such posts. Furthermore, an analysis of the link between Consultant delivered care and activity in the form of outcomes would be of particular interest. However, for such analysis to be undertaken, more consistent data is required from the HSE.

It would also be useful to get a better understanding of the level of private activity being undertaken by Consultants. Greater monitoring, collating and reporting of operations at individual Consultant level would facilitate this.

Finally, an additional though unquantified cost associated with Consultants, not included in this analysis, is clinical indemnity for on-site private practice. The HSE and Department of Health should attempt to better understand the cost associated with this to highlight the overall costs to the Exchequer of this employment grade.

6. Quality Assurance

Quality Assurance Process

To ensure accuracy and methodological rigour, the author engaged in the following quality assurance process.

- Internal/Departmental
 - Line management
 - Spending Review Sub-group and Steering group
 - Other divisions/sections – Central Votes Section and the Public Service Reform and Delivery Office.

- External
 - Other Government Department
 - Steering Group
 - Quality Assurance Group (QAG)