



**Access & Integration,**  
Room 138, Dr. Steevens' Hospital,  
Dublin 8.  
D08 W2A8

16<sup>th</sup> July 2024

Mr Michael Lowry TD,  
Dáil Éireann,  
Leinster House,  
Kildare Street,  
Dublin 2.

**PQ 30918/24** To ask the Minister for Health the rationale behind the recent decision by the Health Service Executive (HSE) to reduce the reimbursement rate for cataract surgery from €1,928 to €863 (details supplied); and if he will make a statement on the matter. -Michael Lowry

Dear Deputy Lowry,

Thank you for your Parliamentary Question referenced above, which has been forwarded to me for direct reply.

Activity Based Funding (ABF) is the main mechanism by which funding is allocated to Irish acute public hospitals. ABF seeks to fund hospitals based on the number and mix of patients treated in those hospitals. Diagnosis Related Groups (DRGs) are the means by which patients are classified to allow like for like comparison of patient profiles between hospitals.

The Healthcare Pricing Office (HPO) within the HSE, using an Australian AR-DRG classification system, sets prices for all 795 DRGs based on the average cost of all public hospitals with activity in that DRG, using HIPE activity data and costing data. The price list is primarily used to determine the cost of activity in public hospitals. The HSE's Overseas Treatment Schemes office uses this HPO costing for the purpose of reimbursing service users for procedures done overseas and in Northern Ireland.

The DRG price list has changed in 2024 across the Irish public health system to reflect an update in the Australian AR-DRG Classification System. The price list has also changed to reflect the availability of costing data for the Activity Based Funding 2024 price for the first time in a number of years due to the impact of COVID-19. There has been a reclassification of certain cataract procedures following the international coding system (Australian AR-DRG Classification System), in which some prices have increased and some have decreased.

HPO prices were due to change effective from 1 July 2024. In order to ensure no one is disadvantaged and communicate fully with service users, treating consultants and providers the HSE is deferring the application of these cost changes for the purposes of reimbursement of cataract procedures until 1st September 2024. During this time, we will communicate with providers in Northern Ireland and patients to advise them of the amended prices for cataract procedures.

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'Frances McNamara', written in black ink on a light background.

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Frances McNamara  
Assistant National Director