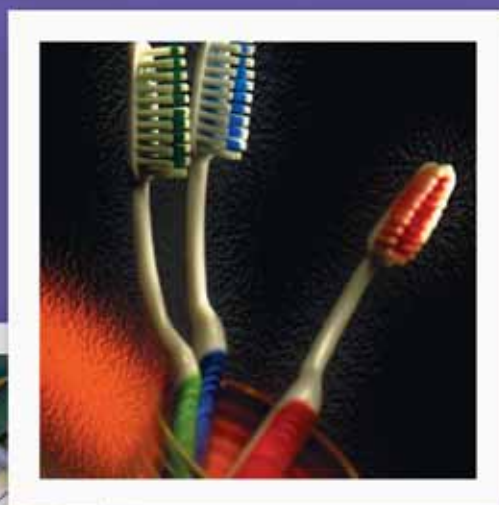
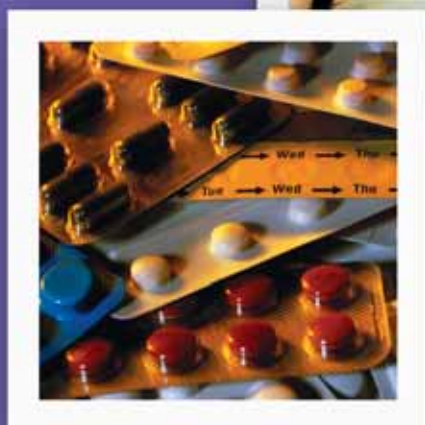




Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive



General Medical Services (Payments) Board
An Bord Seirbhísí Liachta Ginearálta (locaíochtaí)



General Medical Services (Payments) Board

Report for the year ended 31st December 2004

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**Report for the
year ended
31st December
2004**



General Medical Services (*Payments*) Board
An Bord Seirbhísí Liachta Ginearálta (Iocaíochtaí)

Contents

<i>The Board</i>	4
<i>Community Based Services - Payment Arrangements</i>	6
<i>Chairman's Statement</i>	8
<i>Review and Outlook</i>	10
<i>Summary Statement of Activity During the Year</i>	14
<i>The Year 2004</i>	15
<i>Number of Agreements</i>	16
<i>Persons Eligible for Services</i>	17

Doctors

<i>Payments to Doctors</i>	18
<i>Volume of Claims by Doctors</i>	19

Pharmacies

<i>Payments to Pharmacies</i>	20
<i>Volume of Claims by Pharmacies</i>	21

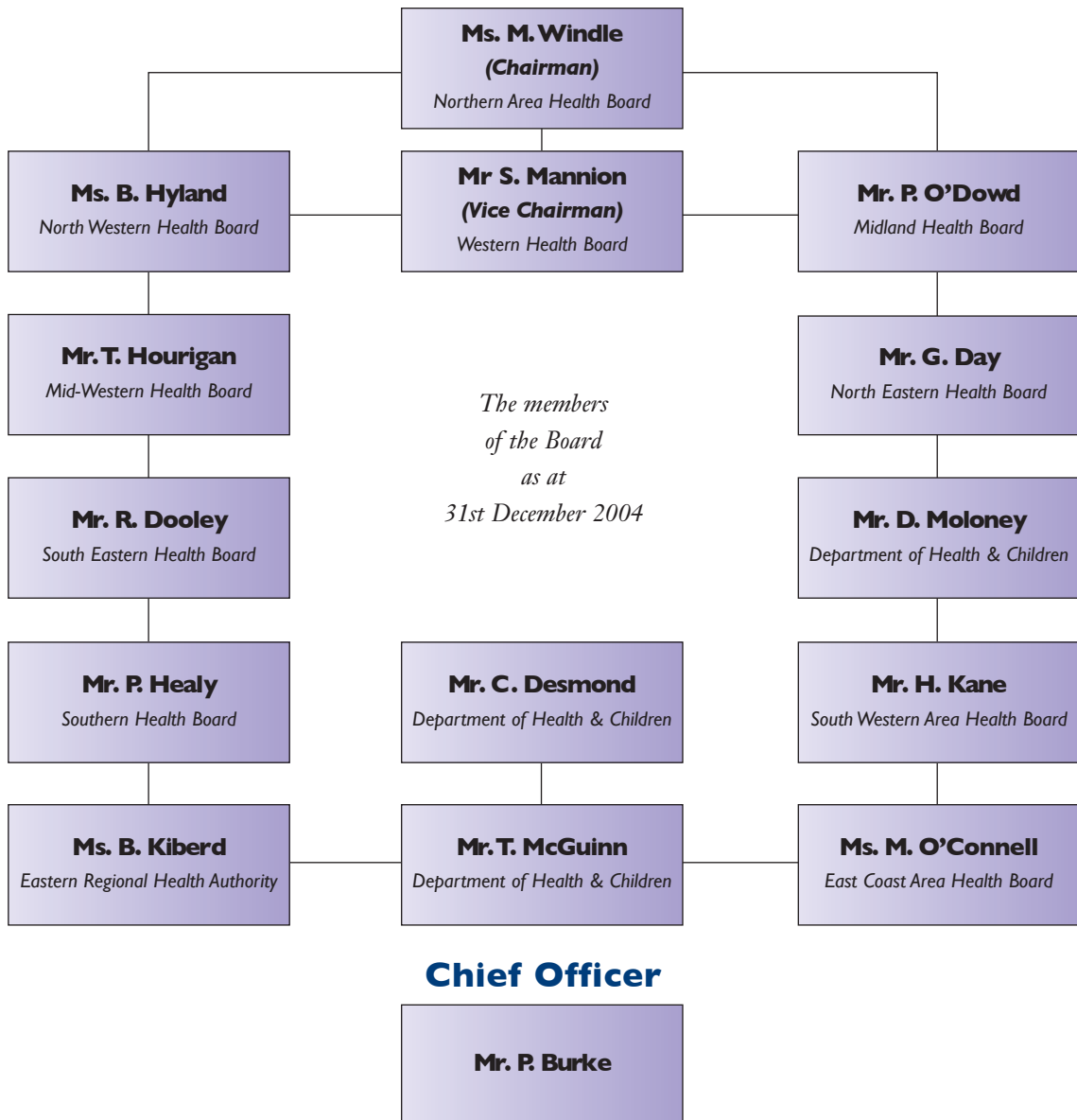
Dentists

<i>Payments to Dentists</i>	22
<i>Volume of Claims by Dentists</i>	23

Optometrists

<i>Payments to Optometrists/Ophthalmologists</i>	24
<i>Volume of Treatments by Optometrists/Ophthalmologists</i>	25
<i>Cost per Person</i>	26
<i>Major Therapeutic Classification of Drugs, Medicines & Appliances – GMS Scheme</i>	27
<i>Major Therapeutic Classification of Drugs, Medicines & Appliances – DP Scheme</i>	28
<i>Major Therapeutic Classification of Drugs, Medicines & Appliances – LTI Scheme</i>	29
<i>Summary of Statistical Information – GMS Scheme</i>	30
<i>Summary of Statistical Information – LTI/DP Schemes</i>	31
<i>Fees and Allowances under Capitation Agreement</i>	32
<i>Fees and Allowances under Fee-Per-Item Agreement and Fees under Immunisation Scheme, Health (Amendment) Act 1996 and Methadone Treatment Scheme</i>	33
<i>Scale of Fees Payable to Pharmacists</i>	34
<i>Scale of Fees Payable to Dentists</i>	35
<i>Scale of Fees Payable to Optometrists/Ophthalmologists</i>	36
<i>Financial Statements</i>	37

The Board



Ms. Mary O'Connell (East Coast Area Board) was elected to membership of the Board in January 2004 replacing Ms. Cate Hartigan. Mr. Tom Hourigan (Mid-Western Health Board) was elected to membership of the Board in January 2004 replacing Mr. Gerard Crowley. Ms. Bernie Hyland (North Western Health Board) was elected to membership of the Board in April 2004 replacing Mr. Tom Kelly.

The Board extends a warm welcome to its new members and records its thanks and appreciation to those former members who, in the course of the year, resigned their membership.



Ms. M. Windle



Mr. S. Mannion



Mr. P. Burke



Ms. B. Hyland



Mr. T. Hourigan



Mr. R. Dooley



Mr. P. Healy



Ms. B. Kiberd



Mr. C. Desmond



Mr. P. O'Dowd



Mr. G. Day



Mr. D. Moloney



Mr. H. Kane



Ms. M. O'Connell



Mr. T. McGuinn

Constitution of the Board

The General Medical Services (Payments) Board is a body corporate with perpetual succession and a common seal constituted by Order of the Minister for Health under Section 11 of the Health Act, 1970.

The Board consists of fourteen members comprising:

- (a) (i) one officer of each Health Board designated by the Chief Executive Officer of the Health Board and
 - (ii) one officer of each Area Health Board established by Section 14 of the Eastern Regional Health Authority Act, 1999, designated by the Area Chief Executive of the Area Health Board and
- (b) three other persons appointed by the members referred to in (a) (i) and (ii).

Functions of the Board

It is the duty of the Board to perform on behalf of the Health Boards the following functions in relation to the provision of services by General Practitioners, Pharmacists, Dentists and Optometrists/Ophthalmologists under Sections 58, 59 and 67 (i) of the Health Act 1970:

- (a) the calculation of payments to be made for such services;
- (b) the making of such payments;
- (c) the verification of the accuracy and reasonableness of claims in relation to such services;
- (d) the compilation of statistics and other information in relation to such services.

Community Based Services – Payment Arrangements

Almost all payments for services provided in the community by General Practitioners, Community Pharmacies, Dentists and Optometrists/Ophthalmologists are made by the Board. Payments in the Year 2004 were in excess of €1.65bn. Estimated payments by the Board for 2005 are €1.97bn.

Claim data is processed and payments are made by the Board under the following Schemes/Payment Arrangements:

General Medical Services (GMS)

Persons who are unable without undue hardship to arrange general practitioner medical and surgical services for themselves and their dependants and all persons aged 70 years and over receive a free general medical service.

Drugs, medicines and appliances supplied under the Scheme are provided through retail pharmacies. In most cases the Doctor gives a completed prescription form to a person, who takes it to any pharmacy that has an agreement with a Health Board to dispense GMS prescription forms. In rural areas the Doctor may dispense for those persons who opt to have their medicines dispensed by him/her. All GMS claims are processed and paid by the Board.

Drugs Payment Scheme (DPS)

Under the Drugs Payment Scheme persons who are ordinarily resident in the State and who do not have a current medical card can benefit - an individual or family has now to pay no more than €78 in a calendar month for approved drugs, medicines and appliances for themselves or their families. In order to benefit under this Scheme a person must register themselves and their dependants with their local Health Board. Items currently reimbursable under the Drugs Payment Scheme are those listed in the GMS Code Book. Other items which were reimbursable under the DCS and Refund of Drugs Schemes continue, in certain circumstances, to be reimbursable under

the Drugs Payment Scheme. DPS claims are processed and paid by the Board.

Long Term Illness Scheme (LTI)

On approval by Health Boards persons who suffer from one or more of a schedule of illnesses are entitled to obtain, without charge, irrespective of income, necessary drugs/medicines and/or appliances under the LTI Scheme. All LTI claims are processed and paid by the Board.

Dental Treatment Services Scheme (DTSS)

Under the Dental Treatment Services Scheme GMS eligible adults have access to a range of treatments and clinical procedures comprised of Routine Treatments and Full Upper and Lower Dentures. Routine Treatments are now available for all eligible persons. Dentists may also prescribe a range of medicines to eligible persons. All claims under the DTSS are processed and paid by the Board.

European Economic Area (EEA) and Switzerland

Following European Union (EU) enlargement and a separate agreement with the Swiss Confederation, the European Health Insurance Card (EHIC) was introduced with effect from June 2004.

On production of an EHIC, residents of an EU/EEA country or Switzerland can get necessary healthcare in the public system or any other one of those countries, if they become ill or injured while on a temporary stay in that country. The EHIC replaced the older forms to obtain such treatment (such as the E111 or the E128), which were in use until May 2004. One EHIC is needed for each individual or family member. The EHIC does not cover a temporary stay where the intention of the visit is seeking healthcare per se.

In accordance with reciprocal arrangements with the United Kingdom, an EHIC is not required for UK residents to get necessary healthcare while on

a temporary visit to the Republic of Ireland. It is sufficient to show proof that one is ordinarily resident in the UK - in practice this means a driving licence, passport or similar document.

The service may be accessed from General Practitioners and Community Pharmacists who have a service contract under the GMS Scheme. A General Practitioner may issue a prescription on a GMS prescription form to a person with established eligibility.

The GMS (Payments) Board pays for general practitioner and pharmaceutical services and for medication and appliances in respect of visitors to Ireland from the relevant countries.

High Tech Drugs (HTD)

Arrangements are in place for the supply and dispensing of High Tech medicines through Community Pharmacies. Such medicines are generally only prescribed or initiated in hospital and would include items such as anti-rejection drugs for transplant patients or medicines used in conjunction with chemotherapy or growth hormones. The medicines are purchased by the Health Boards and supplied through Community Pharmacies for which Pharmacists are paid a patient care fee: the cost of the medicines and patient care fees are paid by the Board.

Primary Childhood Immunisation Scheme

A National Primary Childhood Immunisation Scheme provides for immunisation of the total child population with the aim of eliminating, as far as possible, such conditions as Diphtheria, Polio, Measles, Mumps, Rubella and more recently Meningococcal C Meningitis. Payments under this Scheme to Doctors in the Midland, Mid-Western, Southern and Western Health Boards are made by the Board.

Health (Amendment) Act 1996

Under the Health (Amendment) Act 1996 certain health services are made available without charge

to persons who have contracted Hepatitis C directly or indirectly from the use of Human Immunoglobulin - Anti D or the receipt within the State of another blood product or blood transfusion. General Practitioner services, pharmaceutical services, dental services and optometric/ophthalmic services provided under the Act are paid for by the Board.

Methadone Treatment Scheme

Methadone is prescribed and dispensed by Doctors and Pharmacists for approved clients under the Methadone Treatment Scheme - capitation fees payable to participating Doctors and Community Pharmacists and claims by pharmacies for the ingredient cost of the Methadone dispensed and the associated dispensing fees are processed and paid by the Board.

Health Board Community Ophthalmic Services Scheme (HBCOSS)

Under the Health Board Community Ophthalmic Services Scheme, adult medical card holders and their dependants are entitled, free of charge, to eye examinations and necessary spectacles/appliances. Claims by Optometrists/Ophthalmologists are paid by the Board. Claims for spectacles provided under the Children's Scheme are also paid by the Board.

Immunisations for certain GMS Eligible Persons

Agreement was reached between the Department of Health & Children and the Irish Medical Organisation on fee rates to be applied to certain immunisations for GMS eligible persons. The immunisations encompassed by the agreement are:- Pneumococcal, Influenza, Hepatitis B and the combined Pneumococcal/Influenza. The Board facilitated claiming for any of these immunisations by extending the range of codes for 'Special Items of Service'.

Chairman's Statement



Ms. M. Windle (Chairman)

This year, my third and final year as Chairman of the General Medical Services (Payments) Board, is a landmark year in the Irish Health Service and for the GMS (Payments) Board, as we move forward into the new era of health service reform set out by Government in June 2003. It is my pleasure to join with the members of the Board to present the Annual Report for the year 2004, the Board's 31st and last Annual Report.

As this is the last year of tenure for the Board of the GMS (Payments) Board I would like to thank all of the Board Members, Chairpersons and Executive past and present, for their dedication and work over the years in playing a major role in the delivery, development and operation of primary care reimbursement over the last 32 years. I would like to express a particular word of gratitude to the outgoing Board Members for their commitment and hard work during this challenging and transition year. My thanks to them for their dedication and collegiality not just as members of the GMS (Payments) Board, but also as members of the various Board Sub Committees.

The Health Service Reform Programme sets out details for unprecedented change and reform in the health system with the Local, Regional and National structures of the new Health Service Executive (HSE) coming into effect on 1st January 2005. As the single largest reform project undertaken in the State this programme provides us all with an unparalleled opportunity to modernise and to improve service provision to all of our clients, stakeholders and partners, in a cohesive and challenging way, through modernising the

mechanisms, technologies and communication structures and realising the benefits that can be achieved through economies of scale.

Under the Reform Programme the GMS (Payments) Board will form part of the Health Service Executive and will be under the National Shared Services Directorate. It is now the Primary Care Reimbursement Service (PCRS). The National Director for Shared Services, Ms. Laverne McGuinness, will take this function forward as a part of National Shared Services. I take this opportunity to also wish her, and all the staff in the Health Service Executive, well with the challenges ahead.

Moving forward it is planned that all of the valuable information, which year on year has been presented by the GMS (Payments) Board, will continue to be made available to the public by National Shared Services. This valuable set of data will be made available for information and as assistance to those who require it for use for research purposes.

The establishment of National Shared Services as the third pillar, along with National Hospitals Office, National Primary, Community & Continuing Care, in the newly formed National Health Structure, was a decision of the Government under the reform programme.

The main principles, which underpinned the move towards establishing National Shared Services, were articulated in the Prospectus Report:

- Elimination of duplicate activities across different organisations, functions and processes;
- Creation of economies of scale;
- Greater leveraging of technology, management and specialist resources;
- Standardisation of processes, practices and the application of leading practice to improve the quality and overall consistency of services provided.

The National Shared Services, when fully implemented, will deliver the following services on a national basis for the unitary Health Service Executive:

- Finance;
- Procurement;
- Human Resources;
- Information Communication Technology;
- Primary Care Reimbursement.

The National Shared Services Primary Care Reimbursement Service will continue to perform the following functions in relation to the provision of services by Primary Care Contractors i.e. General Practitioners, Pharmacists, Dentists and Optometrists/Ophthalmologists:

- The calculation of payments to be made to Primary Care Contractors for services rendered in the community under contract;
- The verification of the accuracy and reasonableness of claims in relation to such services;
- The making of such payments;
- The compilation of statistics and other information in relation to such services and the communication of such information to persons concerned with the operation of such services.

The National Shared Services Primary Care Reimbursement Service is the largest central service provider in the health sector, with millions of transactions successfully delivered each year (54 million in 2004). The Primary Care Reimbursement Service will play a major role in the development of the National Shared Services, leveraging both its experience and expertise in shared service provision and its extensive investments in a national Information Communication Technology (ICT) infrastructure.

In relation to 2004 the total expenditure arising on the Schemes administered by this service was €1.65billion and will grow to an estimated €1.97billion in 2005. Expenditure has more than doubled over the past five years. At current levels this accounts for approximately 18% of total non-capital public health expenditure. This underlines the significance of this function within the public health service and given its scale, emphasises the requirement for robust systems and governance/accountability structures to be in place.

The core business of the National Shared Services Primary Care Reimbursement Service will be the processing of claims from Primary Care Contractors, the making of related payments and the provision of information to the contractors, the Department of Health & Children and Health Agencies. We have made major strides in the last year in a range of critical areas including using our valuable information database to improve and support our planning and monitoring functions, strengthen our governance and accountability arrangements, work on the implementation of an eCommerce infrastructure and also in improving the

efficiency of our day-to-day business operations. Many other projects were undertaken or continued throughout 2004.

This Annual Report for 2004 reflects, as in previous years, the many and varied Schemes and payment systems which generated the workload of the GMS (Payments) Board in the year under review.

As in previous years, the executive continued to work closely with all of our stakeholders and partners to discuss and work through issues of mutual interest and where necessary to endeavour to resolve difficulties when they arise. The co-operation and goodwill shown by these groups is very much appreciated.

We would like to acknowledge the General Practitioners, Community Pharmacists, Dentists, Optometrists/Ophthalmologists and their staff for their continued dedication and leadership in providing Primary Health Care Services to their communities. We recognise the importance of good communication with our partners/customers and we will continue to deliver new services to provide improved information and support to our entire client base.

The staff of the Health Agencies, especially those who deal directly with service providers and service users and who interface regularly with us, are again very deserving of a special word of appreciation.

My thanks also to the Head of Primary Care Reimbursement Service, Mr. Patrick Burke, the management and staff for their dedication, professionalism, loyalty and achievements during the year. We have a team of dependable, highly motivated and respected staff who continue to respond to new challenges with determination and who are committed to providing the best possible service to our clients.

I also wish to thank the Tánaiste and Minister for Health & Children, the Secretary General of the Department and his officials, for their continuing assistance and support throughout 2004.

Finally as we hand over the GMS (Payments) Board to the new Health Service Executive in January 2005 I wish it continued success and I know that the valuable work and achievements of the organisation will continue and develop under the National Shared Services Directorate.



Maureen Windle
Chairman

Review and Outlook

The GMS (Payments) Board validates claims, administers the payments and compiles relevant statistics in relation to the community based services provided by 5,372 primary care professionals on behalf of the Health Boards. The Board administers these payments in relation to a range of Schemes relating to the treatment of eligible persons in a primary or community care setting and covers, among other things, payments in respect of medical card, drug cost subsidisation, long term illness, high tech drugs, dental treatment and ophthalmic services.

The Schemes administered include:

- General Medical Services (GMS)
- Drugs Payment (DP)
- Long Term Illness (LTI)
- Dental Treatment Services (DTS)
- European Economic Area (EEA)
- High Tech Drugs (HTD)
- Primary Childhood Immunisation
- Health (Amendment) Act, 1996
- Methadone Treatment
- Health Board Community Ophthalmic Services (HBCOS)

The Schemes are at the centre of the primary care infrastructure in the health system and a major part of total expenditure within the Schemes is demand led. The population eligible for services under the Schemes also significantly influences this expenditure. Expenditure by the Board has more than doubled over the past five years and at current levels accounts for nearly 18% of total non-capital public health spending.

The total expenditure arising from the Schemes administered by the Board in 2004 was €1.65bn and is expected to increase to approximately €1.97bn in 2005. This increase is due to a number of factors – higher population coverage, expansion

of services provided within existing Schemes, increased fee rates to contractors, provision and reimbursement of more expensive drugs/medicines and inflationary cost factors.

Payments in the year 2004 were in excess of €1.65bn, significantly up (15.4%) on payments of €1.43bn made in the year 2003.

The following table sets out in summary form the overall increase in terms of the number of items that the Board reimbursed during 2004 and 2003, and the associated costs.

Summary of trends and patterns - 2004 over 2003

Description	2004	2003	% Change
Persons Registered	2.71m	2.65m	2.26%
% of registered medical card population who availed of services	96%	94%	-
No. of transactions	54m	48m	12.5%
Payments			
Doctors	€317.50m	€295.74m	7.36%
Pharmacies	€1,092.70m	€943.21m	15.85%
Dentists	€52.49m	€49.87m	5.25%
Optometrists	€17.44m	€13.75m	26.84%
Wholesalers (HTD)	€141.41m	€103.58m	36.52%

Estimated payments by the Board for 2005, based on the information currently available, will be approximately €1.97bn.

The Board prepares a three year projection of Scheme Expenditures to enable an informed view to be made of known trends over the medium term. Such an exercise is invaluable in assessing the potential impact of an ageing population on the cost of the GMS Scheme, following its

extension to all persons aged 70 years and over, the impact of increased prescribing rates and other similar issues.

Health Reform Programme

In 2003 the Government published its plans for the reform of the health service, together with the three reports ('Prospectus', 'Brennan' and 'Hanly') which underpinned the various proposals for change. The Health Service Reform Programme sets out details for unprecedented change and reform in the health system with the Local, Regional and National structures of the new Health Service Executive (HSE) coming into effect on 1st January 2005.

The Reform Programme outlines the shape of the proposed new structures including - a Health Service Executive, a number of Regional Offices, National Hospitals Office, National Primary, Community & Continuing Care and National Shared Services. As the largest shared service currently operating within the health sector and the only agency providing such services on a national basis, National Shared Services will be in a position to leverage the extensive investments in modern IT systems and infrastructure that the Board has made in recent years to enhance communications with Health Agencies and Primary Care.

The GMS (Payments) Board looks forward to continuing to work with colleagues from throughout the Health Areas to establish the National Shared Services during 2005, leading to a rapid and successful transition to the new structures and processes.

Primary Care Contractors – Claims and Payments.

At year-end 84% of Pharmacists were submitting approximately 3.1m claim items electronically each month and in the majority of cases were qualifying for payment within 14 working days.

The Comptroller and Auditor General (Amendment) Act, 1993 provides for Audit by the Office of the Comptroller and Auditor General. Over the past number of years the Audit has highlighted uncertainty regarding the validity of a proportion of claims submitted for payment. The volume of pharmacy claims, which are presented for payment with incomplete patient data, has been a matter of serious concern to the Board over many years.

In 2003, the Board took appropriate action following the advice from the Department of Health & Children to the effect that the Government had decided that the practice of reimbursing Pharmacists for claims with incomplete eligibility documentation should cease.

The Board has worked with the Irish Pharmaceutical Union (IPU) and other stakeholders to jointly implement initiatives aimed at resolving the issues underpinning these incomplete claims, and the Government decision in relation to DPS claims was implemented in 2004. The Board continues to work with the main stakeholders to continue to implement the Government decision in relation to all Schemes.

In the course of the year the Board met with representatives of the Irish Medical Organisation (IMO) on a number of occasions to discuss operational issues. These meetings provided a forum for discussion regarding how the operation of the Schemes could become more transparent and effective.

It was agreed that through the use of technology General Practitioners could be afforded greater access to the Board's databases and that the current reporting arrangements could be enhanced to provide greater clarity and transparency.

It was also agreed that this forum would examine how the current business processes regarding

Review and Outlook continued

client registration could be streamlined and how the proposed implementation of an electronic swipe card, with more comprehensive client and contractor data, could assist in this regard.

The Board is consequently participating in the GP Messaging Project, alongside colleagues from the Health Boards and the voluntary sector, to develop message protocols and associated infrastructure to support improved communications with General Practice.

At year-end more than 300 General Practitioners have available to them a facility for inputting Special Type Consultation/Special Service claims directly into the Board's claims processing systems using a web based system developed and implemented by the Board in 2002. This web based facility has also been enhanced to allow General Practitioners to access the lists of patients on their panels and download these lists to input into their own local Practice Management Systems. We are aware of the potential and opportunities that can be exploited through these media and will continue to support the development of health care applications conscious of the requirement for security, privacy, data protection issues and confidentiality.

Administration

In 2004, General Administration costs in the GMS (Payments) Board were €15.5m.

Of this the principal cost headings were –

- €0.78m was the cost of providing laminated plastic cards for the Drugs Payment Scheme, which was introduced in July 1999
- €2.72m was attributable to ongoing computer systems development, maintenance and software licence costs
- €0.44m was expended on claim stationery (prescription forms, claim forms etc.)

- €1.64m for other stationery supplies
- €1.02m was expended on postal and telephone charges
- Salaries, wages and other staff costs totalled €5.37m i.e. 0.32% of the Board's total expenditure.

Information Technology and Business Strategy Development

Over recent years the Board has built a major IT infrastructure for supporting its business and communications with stakeholders, including the Health Boards and the Primary Care Contractors.

This infrastructure comprises -

- Major new and enhanced national systems for client identity and eligibility validations and Primary Care Contractors claims validation and payment
- A wide-area network (WAN) connecting pharmacies to the Board
- Encryption of all communications that contain personal medical data between the Board and external bodies
- Mutual authentication between the Board and outside organisations
- System resilience and disaster recovery features

The Board's systems & infrastructure presents an opportunity for the new Health Services Executive to leverage major savings from the current structures by dealing with all clients across all Schemes in a single environment using a single national Information Technology system and infrastructure.

Prompt Payment of Accounts Act

The policy of the Board is to comply with the provisions of the European Communities (Late Payments in Commercial Transactions) Regulations, 2002 and the earlier Irish enactment, the Prompt Payment of Accounts Act, 1997. The Board's standard term of credit taken, unless otherwise specified in specific contractual arrangements, is 30 days. Appropriate internal financial controls are in place, including clearly defined roles and responsibilities and monthly reporting and review of payment practices.

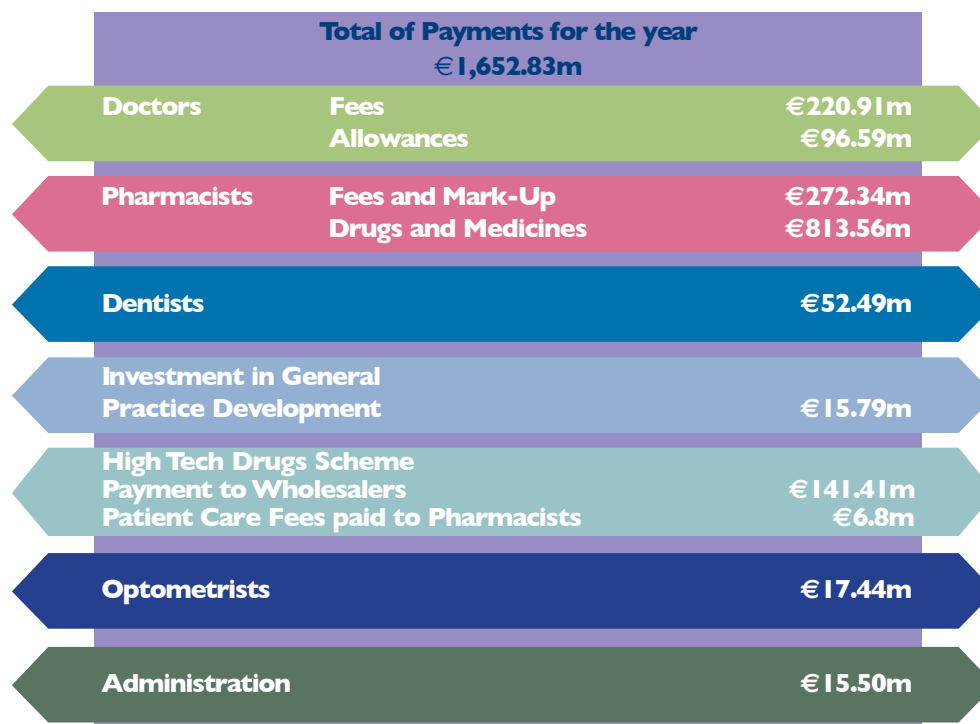
Office Accommodation

Over the past 32 years the GMS (Payments) Board's business and associated IT infrastructures have grown significantly, and will continue to grow into the future. In order to ensure that a proper business continuation strategy is in place, the Board examined all aspects of its office accommodation, including the IT facility and off-site storage space. Following an evaluation of all available options during 2002 and 2003 the Board made a decision in 2004 to relocate to new premises on the North Road, Finglas. Work is underway to finalise arrangements and it is anticipated that the Board will move to the new premises towards the end of 2005.

Summary Statement of Activity During the Year

- Payments in the Year were in excess of €1,652.83m.
- Claim data is processed and payments are made by the Board under the following Schemes:
 - General Medical Services (GMS);
 - Drugs Payment (DP);
 - Long Term Illness (LTI);
 - Dental Treatment Services (DTS);
 - European Economic Area (EEA);
 - High Tech Drugs (HTD);
 - Primary Childhood Immunisation;
 - Health (Amendment) Act 1996;
 - Methadone Treatment;
 - Health Board Community Ophthalmic Services (HBCOS).
- At year end there were more than 2.71m persons registered as being eligible to benefit under the General Medical Services, Drugs Payment, Long Term Illness, Dental Treatment and Health Board Community Ophthalmic Services Schemes.
- More than 96% of eligible GMS persons availed of GP, Pharmaceutical, Dental or Ophthalmic services provided by more than 5,372 Doctors, Pharmacists, Dentists and Optometrists/Ophthalmologists.
- More than 47.2m prescription items were paid for by the Board - an increase of over 3.7m items on 2003.
- Fees and allowances paid to Doctors totalled €317.5m.
- Payments to Pharmacies totalled €1,092.7m;
 - GMS €763.32m;
 - DP €226.83m;
 - LTI €85.55m;
 - EEA €1.8m;
 - Patient Care Fees under the HTD Scheme €6.8m;
 - The Health (Amendment) Act 1996, Methadone Treatment Scheme and DTS prescriptions €8.4m.
- Payments to Dentists under the DTS totalled €52.49m.
- Payments to Optometrists/Ophthalmologists under the HBCOS totalled €17.44m.
- Payments to Wholesalers under the HTD Scheme totalled €141.41m.
- Administration costs in the accounting period of 2004 were €15.5m.
- Claims processed are in respect of services provided in the community and availed of by almost 51% of the population.

The Year 2004



- Fees to Doctors include an amount of €3.92m in respect of the Primary Childhood Immunisation Scheme, €0.22m in respect of the Health (Amendment) Act 1996, €5.4m in respect of the Methadone Treatment Scheme.
- Allowances paid to Doctors include an amount of €5.78m paid as superannuation to Retired District Medical Officers and their dependants.
- Payments to Pharmacists include an amount of €1.36m in respect of drugs/medicines dispensed under the Health (Amendment) Act 1996, an amount of €6.5m in respect of the cost of Methadone dispensed under the Methadone Treatment Scheme and an amount of €0.52m in respect of DTS prescriptions.
- Payments to Dentists include an amount of €55,587 in respect of treatments under the Health (Amendment) Act 1996.
- Payments to Optometrists include an amount of €37,232 in respect of treatments under the Health (Amendment) Act 1996.
- The corresponding figures for 2003 are –
 - Total of Payments €1,431.78m.
 - Doctors' Fees €207.85m and Doctors' Allowances €87.89m.
 - Pharmacists' Fees and Mark-Up €231.24m, Drugs and Medicines €706.41m.
 - Payments to Dentists under the DTS Scheme were €49.87m.
 - Payments to Optometrists €13.75m.
 - Investment in General Practice Development was €13.13m.
 - High Tech Drugs Scheme – Payment to Wholesalers €103.58m, Patient Care Fees €5.56m.
 - Administration €12.50m.

Number of Agreements

2,210 Doctors

1,333 Pharmacists

1,340 Dentists

489 Optometrists

The number of agreements between Health Boards and General Practitioners for the provision of services to GMS persons reflects the policy position agreed between the Department of Health & Children and the Irish Medical Organisation on entry to the GMS. In December 2004 there were 2,210 such agreements.

Number of Agreements as at 31st December 2004

Health Board	Doctors	Pharmacists	Dentists	Optometrists
East Coast Area	209	114	99	44
South West Area	300	185	179	74
Northern Area	240	153	147	43
Midland	123	75	77	40
Mid-Western	204	126	100	38
North Eastern	163	115	123	50
North Western	131	75	60	24
South Eastern	212	144	122	49
Southern	372	211	290	71
Western	256	135	143	56
National	*2,210	#1,333	+1,340	489
Corresponding Figures for 2003	2,181	1,292	1,340	463

* 226 GPs who do not hold GMS agreements and who were registered as providing services under the Primary Childhood Immunisation Scheme, the Health (Amendment) Act 1996, Heartwatch and the Methadone Treatment Scheme at year end are included above.

11 Pharmacies who do not hold GMS agreements and who were registered as providing services under non GMS schemes at year end are included above.

+ 184 Dentists who are employees of Health Boards and who provide services under the Dental Treatment Services Scheme are included above.

Persons Eligible for Services

GMS 1,148,914

DP 1,469,251

LTI 93,504

Persons who are unable without undue hardship to arrange General Practitioner medical and surgical services plus dental and optometric services for themselves and their dependants are provided with such services free of charge under the GMS Scheme. An eligible person is entitled to select a Doctor of his/her choice, from among those Doctors who have entered into agreements with Health Boards. Drugs, medicines and appliances prescribed by participating Doctors for their GMS patients are provided through Community Pharmacies. Dental and ophthalmic services are provided by Dentists and Optometrists/Ophthalmologists who have contracted with Health Boards. GMS prescription forms may be dispensed in any Pharmacy that has an agreement with a Health Board to dispense GMS prescription forms. In rural areas, where a Doctor has a centre of practice three miles or more from the nearest retail Pharmacy participating in the Scheme, the Doctor dispenses for those persons served from the centre who opt to have their medicines dispensed by him/her. The number of eligible GMS persons at year end included 54,338 persons who were entitled and had opted to have their medicines dispensed by their GPs.

Under the terms of the Drugs Payment Scheme persons who do not have a medical card may apply for a Drugs Payment Scheme card on an individual or on a family unit basis. Prescribed medicines, which are reimbursable under the GMS, costing in excess of a specified amount per month, currently €78 per family, is claimed by the Pharmacy and is paid by the Board.

On approval by Health Boards persons who suffer from one or more of a schedule of illnesses are entitled to obtain, without charge, irrespective of income, necessary drugs/medicines and/or appliances under the LTI Scheme. The Board makes payments on behalf of Health Boards for LTI claims submitted by Pharmacies.

Number of Eligible Persons as at 31st December 2004

Health Board	GMS	DP	LTI
Eastern Regional Boards	339,079	493,674	49,598
Midland	69,615	87,640	4,996
Mid-Western	99,578	146,960	6,581
North Eastern	100,345	137,248	7,188
North Western	97,741	68,618	5,077
South Eastern	136,519	151,732	9,182
Southern	171,879	247,555	6,749
Western	134,158	135,824	4,133
National	1,148,914	1,469,251	93,504
% of Population	28.41%	36.33%	2.31%
Corresponding Figures for 2003	1,158,143	1,396,813	97,184

GMS - General Medical Services Scheme. **DP** - Drugs Payment Scheme. **LTI** - Long Term Illness Scheme.

Payments to Doctors

Fees €220.91m

Allowances €96.59m

Payments to General Practitioners are categorised as fees and/or allowances. For the majority of GPs who operate under the 1989 agreement the principle fee is the capitation per person which is weighted for gender, age and distance from Doctor's centre of practice - capitation fees totalled €157,367,358 in 2004 - an increase of €14,228,995 over 2003. Fees totalling €1,210,542 were paid to 17 GPs who continue to provide services under the Fee-Per-Item of service agreements.

Apart from 'Out-of-Hours' fees and fees for a range of special services the cost of services provided in normal hours by GPs for GMS persons, including the prescribing of necessary medicines, is encompassed by the capitation fee. All GMS persons can avail of full GP services and in many cases they can benefit from specialist clinics provided by GPs for issues such as Women's Health, Family Planning and Asthma.

In addition to a capitation fee an outside normal hours fee is payable for non routine consultations when an eligible GMS person is seen by their GP or another GP acting on his/her behalf from 5pm in the evening to 9am on the following morning (Monday to Friday) and all hours on Saturdays, Sundays and Bank Holidays. The number of 'Out-of-Hours' claims increased to 547,001 in 2004 compared with 507,700 in 2003 - and the cost of such claims increased to €24,354,181 from €22,247,074 in 2003. Special fees are payable for a range of 18 services such as excisions, suturing, vaccinations, catheterization, family planning etc. (refer to page 32 for full list of special items) - the most frequent claimed special service in 2004 was Influenza Vaccination (304,376) followed by Excisions (64,032) and E.C.G treatments (45,943) - there was a total of more than 532,803 special services provided in 2004 - special fees totalling €16,119,775 were paid in 2004.

Annual and Study Leave together with locum, nursing and secretarial support plus other practice support payments account for most of the €96,591,919 allowances paid in the year. The total paid in 2003 was €87,886,787.

Total of Payments to Doctors by Health Board

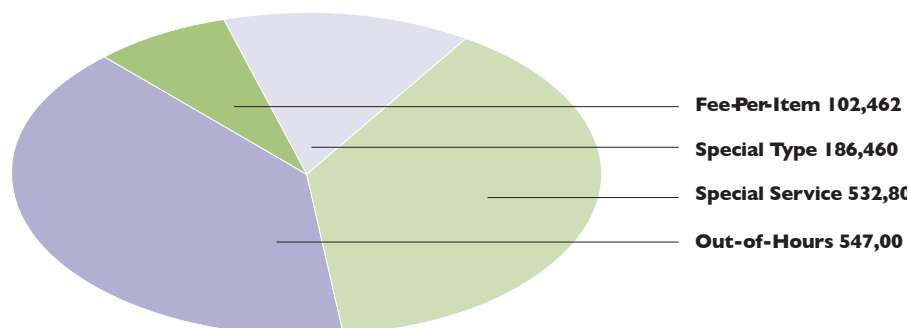
Health Board	2004
East Coast Area	€22,908,827
South West Area	€37,330,814
Northern Area	€31,563,778
Midland	€19,938,678
Mid-Western	€26,976,563
North Eastern	€28,350,471
North Western	€24,596,738
South Eastern	€37,173,563
Southern	€50,055,124
Western	€38,604,842
National	€317,499,398
Corresponding Figure for 2003	€295,741,062

The total of payments to Doctors includes payments of: €3,923,476 under the Primary Childhood Immunisation Scheme; €215,031 to Doctors who provided services under the Health (Amendment) Act 1996; Heartwatch €1,665,800; Trainers/Trainee Grants €1,656,627 and €5,444,813 under the Methadone Treatment Scheme.

For details of Fees and Allowances payable refer to pages 32 to 33.

Volume of Claims by Doctors

National - Number of Claims - 2004



Number of Claims in each Health Board

Health Board	Fee-Per-Item	Special Type	Special Service	Out-of-Hours
East Coast Area	-	7,888	33,049	23,598
South West Area	23,673	17,239	54,051	50,956
Northern Area	25,157	12,771	45,052	43,001
Midland	-	19,173	33,880	35,479
Mid-Western	9,743	19,000	44,391	41,192
North Eastern	-	9,107	40,794	10,227
North Western	-	13,032	47,532	44,955
South Eastern	9,776	16,628	72,320	75,595
Southern	34,113	40,916	86,045	131,715
Western	-	30,706	75,689	90,283
National	102,462	186,460	532,803	547,001
Corresponding figures for 2003	117,914	175,691	512,345	507,700

A majority of Doctors are paid an annual capitation fee for each eligible person - the rate of payment is determined by the age/gender of the person and distance between each person's residence and the centre of practice of their Doctor-of-Choice.

A minority of Doctors (17) who have continued to provide services under the Fee-Per-Item of Service agreement are paid a fee for each Doctor/Patient contact.

STC - A Special Type Consultation fee is payable when a GMS eligible person is unable to contact their registered Doctor and is seen as an emergency case by another.

General Practitioners qualify for payment of 'special fees' for the special items of service separately identified under the Capitation agreement and the Fee-Per-Item agreement.

Payments to Pharmacies

GMS €763.32m

DP €226.83m

LTI €85.55m

EEA €1.79m

A GMS person who is provided with a properly completed GMS prescription form by his/her GP can choose to have such prescription forms dispensed in any of the Pharmacies who have entered into agreements with Health Boards for the provision of services under Section 59 of the Health Act, 1970.

In 2004 there were 12.8m prescription forms containing 35m prescription items dispensed at a cost of over €747,905,845 i.e. an average cost of €21.35 per dispensed item. More than 96% of all eligible GMS persons were prescribed for in the year. The average cost of medicines per GMS person in 2004 was €692.73.

Payments made to Pharmacies under the GMS and DTS Schemes are inclusive of the ingredient cost of medicines, dispensing fees and VAT.

Under DP, LTI and EEA Schemes Pharmacies are reimbursed the ingredient cost of items dispensed; dispensing fees and VAT; a markup of up to 50% on the ingredient cost of items dispensed is also paid.

The cost of the High Tech Drugs Scheme was €148.2m - at year end there were 28,385 persons registered under this Scheme - Patient Care Fees totalled €6.8m and payments for drugs and medicines totalled €141.41m.

In the year the Board processed claims valued at €279.77m on drugs acting on the 'cardiovascular system' (GMS €178.90m, DP €85.25m and LTI €15.62m). The second highest cost category was drugs acting on the 'nervous system' €216.17m (GMS €150.83m, DP €52.94m, LTI €12.40m). The third highest amount paid was for drugs acting on the alimentary tract and metabolism system €192.79m (GMS €114.93m, DP €53.86m, LTI €24m).

Total of Payments to Pharmacies by Health Board

Health Board	GMS €	DP €	LTI €	*EEA €
East Coast Area	55,929,652	21,193,960	9,843,161	53,728
South Western Area	89,309,160	37,792,221	15,032,459	54,948
Northern Area	84,686,262	33,427,386	13,106,413	100,731
Midland	51,766,261	12,729,283	5,078,340	88,624
Mid-Western	68,846,188	19,403,319	5,636,988	165,541
North Eastern	66,478,546	18,492,374	7,210,283	115,717
North Western	49,174,807	8,075,402	4,640,806	268,985
South Eastern	93,639,874	21,772,829	8,760,982	240,619
Southern	121,346,553	33,895,545	10,097,581	374,030
Western	82,140,770	17,176,575	6,144,056	328,604
National	€763,318,073	€223,958,894	€85,551,069	€1,791,527
Corresponding figures for 2003	€650,662,243	€204,422,697	€73,348,251	€1,598,518

*EEA - Payment to Pharmacies to cover the cost of GMS prescriptions dispensed for residents from the European Economic Area.

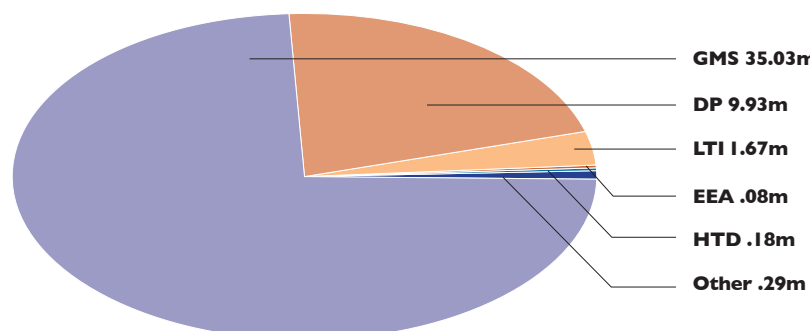
Pharmacies were also paid in respect of the drugs/medicines dispensed under: Health (Amendment) Act 1996 - €1,362,789; Methadone Treatment Scheme - €6,534,568; DTS Scheme - €520,046 and Patient Care Fees totalling €6,803,167 under the High Tech Drugs Scheme. (Payments to Wholesalers under the High Tech Drugs Scheme amounted to €141,411,811).

In 2004, The National Maternity Hospital was paid €281,130 and The Rotunda Hospital was paid €1,758,196 in respect of Fertility Treatment. Under the Drugs Payment Scheme Refunds eligible claimants were refunded €829,709. These figures are not included in the above table.

For details of Fees refer to page 34.

Volume of Claims by Pharmacies

National - Number of Items - 2004



GMS prescription forms processed for payment in the year totalled 12.8m - the total of prescribed items was more than 35m - these accounted for approximately 74% of all items paid for by the Board in 2004. Approximately 39.69% of GMS forms contained a single item; more than 20.60% contained 2 items - the average number of items per form was 2.74 (2003 – 2.63).

GMS dispensed items paid for by the Board in 2004 increased by more than 2,789,746 - the increase in the number of DP items was more than 621,350 - the overall increase in the number of pharmacy claims processed by the Board in the year was more than 3.7m.

Number of Items in each Health Board

Health Board	GMS	DP	LTI	EEA	HTD	*Other
East Coast Area	2,512,586	962,788	177,928	2,758	14,194	31,208
South West Area	4,183,805	1,546,975	289,084	2,670	23,918	103,757
Northern Area	3,799,519	1,415,475	266,366	4,452	20,587	79,387
Midland	2,343,854	593,852	99,921	3,743	11,273	7,429
Mid-Western	3,249,094	885,727	122,366	7,540	13,350	11,883
North Eastern	3,086,769	878,286	145,449	5,167	15,903	10,421
North Western	2,230,424	352,048	88,636	12,040	14,423	5,832
South Eastern	4,310,591	1,046,308	176,830	10,478	19,446	14,167
Southern	5,707,329	1,522,052	198,827	17,071	25,039	16,444
Western	3,606,282	729,123	109,300	14,611	19,804	11,097
National	35,030,253	9,932,634	1,674,707	80,530	177,937	291,625
Corresponding figures for 2003	32,240,507	9,311,284	1,463,793	75,737	143,195	227,900

* This group includes: 18,441 claim items in respect of the Health (Amendment) Act 1996; 200,254 items under the Methadone Treatment Scheme and 72,930 prescription items under the DTS Scheme.

GMS - General Medical Services Scheme. **DP** - Drugs Payment Scheme.

LTI - Long Term Illness Scheme. **EEA** - European Economic Area. **HTD** - High Tech Drugs Scheme.

Other - Methadone Treatment Scheme, Health (Amendment) Act 1996 and Dental Treatment Services Scheme.

Above the line €34.91m

Below the line €17.52m

Dentists were paid a total of €52,432,828 in 2004, in respect of treatments provided for more than 237,828 GMS persons under the DTS Scheme.

The following treatments were available to all eligible GMS persons.

ROUTINE - Routine treatments are categorised as either 'Above the Line' or 'Below the Line':
 'Above the Line' treatments are uncomplicated procedures viz. Amalgam; Extractions;
 'Below the Line' treatments are advanced procedures viz. Protracted Periodontal;
 Prosthetics.

'Below the Line' treatments - prior Health Board approval for a specific course of treatment under this category is required. Full denture treatment is available, with prior Health Board approval, to all edentulous GMS persons over 16 years.

Payments to Dentists in each Health Board

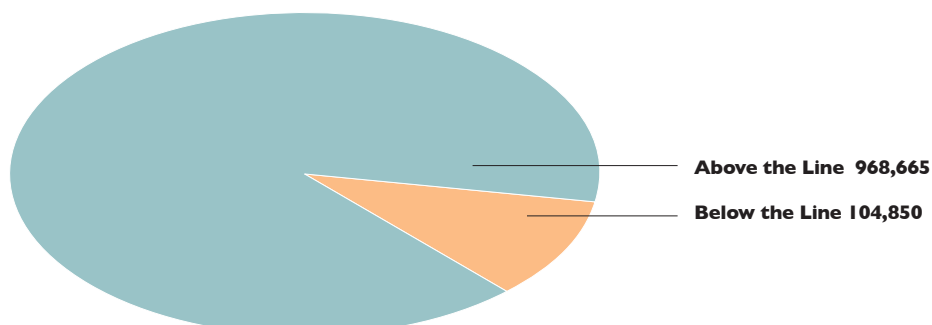
Health Board	2004
Eastern Regional Boards	€14,373,197
Midland	€ 2,726,168
Mid-Western	€ 4,455,816
North Eastern	€ 4,235,216
North Western	€ 3,384,872
South Eastern	€ 6,442,376
Southern	€ 9,454,969
Western	€ 7,360,214
National	€52,432,828
Corresponding figure for 2003	€49,816,930

Dentists were also paid a total of €55,587 in 2004 in respect of treatments under the Health (Amendment) Act 1996.

For details of Fees refer to page 35.

Volume of Claims by Dentists

National - Volume of Treatments - 2004



Volume of Treatments by Dentists in each Health Board

Health Board	+Above the Line	+Below the Line	No. of persons treated under DTS
Eastern Regional Boards	272,422	27,235	64,800
Midland	48,921	6,056	13,343
Mid-Western	81,391	9,992	21,270
North Eastern	78,974	9,343	20,304
North Western	69,847	5,016	17,041
South Eastern	112,106	15,048	27,831
Southern	182,181	17,535	44,605
Western	122,823	14,625	28,634
National	968,665	104,850	237,828
Corresponding figures for 2003	960,342	109,119	229,812

ROUTINE - Routine treatments are categorised as either 'Above the Line' or 'Below the Line':

'Above the Line' (ATL) treatments are uncomplicated procedures;

'Below the Line' (BTL) treatments are advanced procedures.

+ The most frequently used ATL service was Amalgam Restoration, which was used by 94,775 patients followed by Oral Examination. In the BTL category the most frequently used service was Prosthetics followed by Radiographs and Protracted Periodontal.

Payments to Optometrists/Ophthalmologists

Under the Health Board Community Ophthalmic Services Scheme, Optometric/Ophthalmic services are provided to adult medical cardholders, which include free eye examinations and necessary spectacles/appliances.

Payments in respect of spectacles provided under the Children's Scheme are also made by the Board on behalf of the majority of Health Boards.

Payments in respect of eye examinations and necessary spectacles/appliances are provided under the Teenager's Scheme for eligible medical card holders on behalf of certain Health Boards.

In the 12-month period to the end of December 2004 claims were received on behalf of eligible persons for 173,155 treatments costing €16,273,620.

Eye examinations by Optometrists/Ophthalmologists totalled 165,526 - complete spectacles (distance, reading and bi-focals) provided under the Scheme totalled 248,658. The balance of treatments included replacement lenses and frames, tinted lenses, prisms and contact lenses. A breakdown of treatments and payments by Health Board is shown hereunder.

Payments to Optometrists/Ophthalmologists in each Health Board

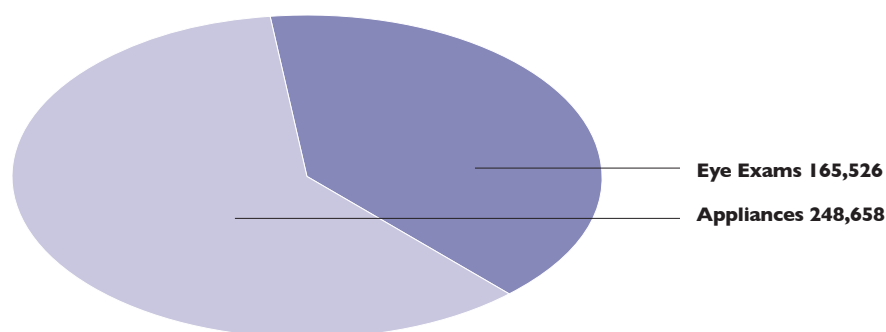
Health Board	2004
Eastern Regional Boards	€4,748,592
Midland	€1,119,323
Mid-Western	€1,553,275
North Eastern	€1,169,098
North Western	€1,156,687
South Eastern	€2,396,421
Southern	€2,427,537
Western	€1,702,687
National 2004	€16,273,620
Corresponding figure for 2003	€13,719,581

Opticians were also paid in respect of: Health (Amendment) Act 1996 €37,232; Optical services for Teenagers €85,280; Optical services for Children €1,047,239.

For details of Fees refer to page 36.

Volume of Treatments by Optometrists/ Ophthalmologists

National - Volume of Treatments - 2004

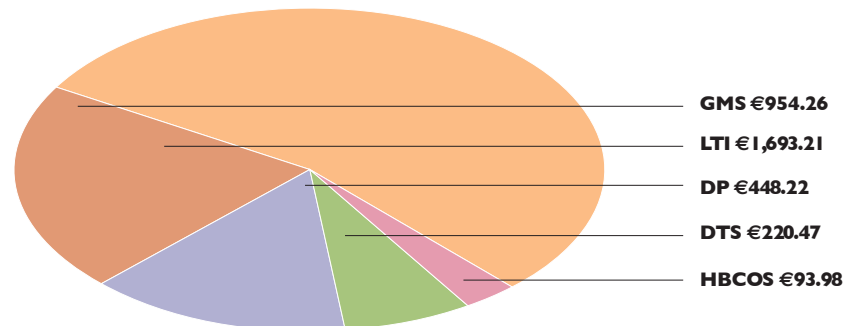


Volume of Treatments by Optometrists/Ophthalmologists in each Health Board

Health Board	Eye Exams	Appliances	Volume of Treatments	No. of Persons Treated
Eastern Regional Boards	48,578	70,400	118,978	50,278
Midland	10,218	16,090	26,308	11,095
Mid-Western	14,351	25,028	39,379	16,388
North Eastern	11,855	18,751	30,606	12,308
North Western	12,926	17,744	30,670	13,098
South Eastern	24,540	37,683	62,223	25,744
Southern	25,055	36,511	61,566	25,870
Western	18,003	26,451	44,454	18,374
National	165,526	248,658	414,184	173,155
Corresponding figures for 2003	150,438	221,961	373,473	160,658

Cost per Person

National – 2004



Cost per Person in each Health Board

Health Board	GMS			LTI	DP	DTS	HBCOS
	Doctor Cost €	Pharmacy Cost €	Total Cost €	Pharmacy Cost €	Net Cost Per Claimant €	Per Person Treated €	Per Adult Treated €
Eastern Boards	251.46	687.23	938.69	1,778.43	517.99	221.81	94.45
Midland	267.82	766.76	1,034.58	1,735.59	425.12	204.31	100.89
Mid-Western	254.57	702.08	956.65	1,396.33	416.56	209.49	94.78
North Eastern	272.06	705.20	977.26	1,651.84	397.93	208.59	94.99
North Western	244.23	583.17	827.40	1,690.64	438.19	198.63	88.31
South Eastern	264.59	704.59	969.18	1,674.50	413.41	231.48	93.09
Southern	275.04	724.12	999.16	1,656.70	396.58	211.97	93.84
Western	273.15	669.53	942.68	1,630.16	411.94	257.04	92.67
National	€261.53	€692.73	€954.26	€1,693.21	€448.22	€220.47	€93.98
Corresponding figures for 2003	€247.66	€595.16	€842.82	€1,526.40	€430.90	€216.77	€85.40

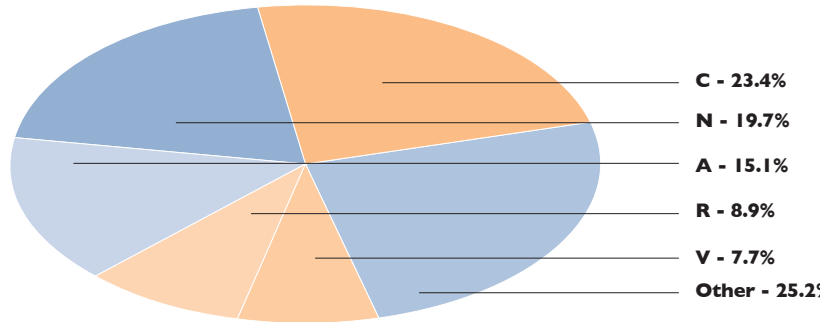
The Doctor cost above does not include superannuation paid to retired DMOs.

The above table shows the actual cost per person in respect of those who availed of services under each Scheme in 2004.

Medical and pharmaceutical services delivered to GMS persons increased in cost from €842.82 in 2003 to €954.26 in 2004 an increase of €111.44 per person - the cost of medical services per person increased in cost from €247.66 in 2003 to €261.53 in 2004 an increase of 5.6% as did the cost per person of pharmaceutical services €595.16 in 2003 to €692.73 in 2004 an increase of 16.4%.

Major Therapeutic Classification of Drugs, Medicines and Appliances - General Medical Services Scheme

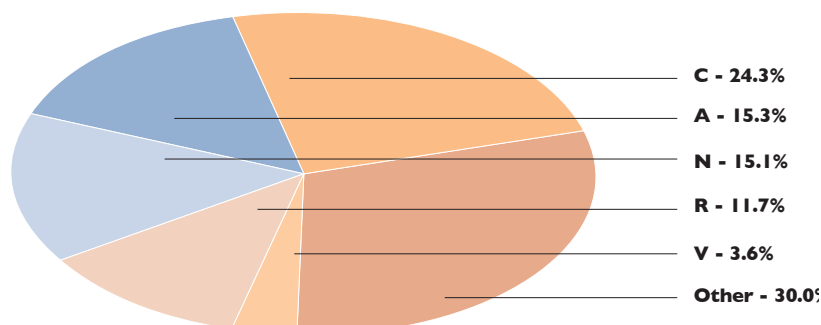
National – 2004



Major Therapeutic Classification		€m	%
A	Alimentary Tract and Metabolism	114.93	15.1
B	Blood and Blood Forming Organs	32.98	4.3
C	Cardiovascular System	178.90	23.4
D	Dermatologicals	15.56	2.0
G	Genito Urinary System and Sex Hormones	29.66	3.9
H	Systemic Hormonal Preps. excl. Sex Hormones and Insulins	6.88	0.9
J	Anti-infectives for Systemic Use	30.44	4.0
L	Antineoplastic and Immunomodulating Agents	5.98	0.8
M	Musculo-Skeletal System	55.75	7.3
N	Nervous System	150.83	19.7
P	Antiparasitic Products, Insecticides and Repellents	0.69	0.1
R	Respiratory System	68.21	8.9
S	Sensory Organs	14.29	1.9
V	Clinical Nutritional Products	28.13	3.7
	Diagnostic Products	12.96	1.7
	Ostomy Appliances	8.50	1.1
	Urinary Appliances	2.75	0.4
	Needles/Syringes/Lancets	2.24	0.3
	Dressings	1.42	0.2
	Miscellaneous	2.22	0.3
Total		€763.32m	100%

Major Therapeutic Classification of Drugs, Medicines and Appliances - Drugs Payment Scheme

National – 2004

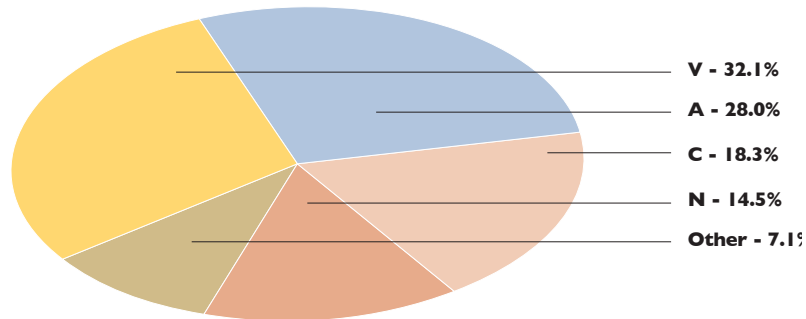


Major Therapeutic Classification		€m	%
A	Alimentary Tract and Metabolism	53.86	15.3
B	Blood and Blood Forming Organs	10.70	3.1
C	Cardiovascular System	85.25	24.3
D	Dermatologicals	16.10	4.6
G	Genito Urinary System and Sex Hormones	24.80	7.1
H	Systemic Hormonal Preps. excl. Sex Hormones and Insulins	2.62	0.7
J	Anti-infectives for Systemic Use	16.75	4.8
L	Antineoplastic and Immunomodulating Agents	4.14	1.2
M	Musculo-Skeletal System	25.72	7.3
N	Nervous System	52.94	15.1
P	Antiparasitic Products, Insecticides and Repellents	0.38	0.1
R	Respiratory System	41.16	11.7
S	Sensory Organs	3.74	1.1
V	Clinical Nutritional Products	5.59	1.6
	Ostomy Appliances	4.26	1.2
	Urinary Appliances	1.16	0.3
	Diagnostic Products	0.78	0.2
	Dressings	0.42	0.1
	Needles/Syringes/Lancets	0.16	0.0
	Miscellaneous	0.61	0.2
Total		€351.14m	100%

Note: The above costs are inclusive of the monthly payment of €78 payable to the Pharmacy by the individual or family.

Major Therapeutic Classification of Drugs, Medicines and Appliances – Long Term Illness Scheme

National – 2004



Major Therapeutic Classification		€m	%
A	Alimentary Tract and Metabolism	24.00	28.0
B	Blood and Blood Forming Organs	1.43	1.7
C	Cardiovascular System	15.62	18.3
D	Dermatologicals	0.13	0.1
G	Genito Urinary System and Sex Hormones	0.74	0.9
H	Systemic Hormonal Preps. excl. Sex Hormones and Insulins	0.65	0.8
J	Anti-infectives for Systemic Use	1.82	2.1
L	Antineoplastic and Immunomodulating Agents	0.08	0.1
M	Musculo-Skeletal System	0.60	0.7
N	Nervous System	12.40	14.5
P	Antiparasitic Products, Insecticides and Repellents	0.00	0.0
R	Respiratory System	0.48	0.5
S	Sensory Organs	0.14	0.2
V	Diagnostic Products	17.85	20.9
	Clinical Nutritional Products	4.71	5.5
	Needles/Syringes/Lancets/Swabs	3.01	3.5
	Urinary Appliances	0.65	0.8
	Nutritional/Ancillary Devices	0.56	0.6
	Dressings	0.18	0.2
	Ostomy Appliances	0.16	0.2
	Miscellaneous	0.34	0.4
Total		€85.55	100%

Summary of Statistical Information relating to the GMS Scheme for each of the five years 2000-2004

	2004	2003	2002	2001	2000
Number of Eligible Persons in December	1,148,914	1,158,143	1,168,745	1,199,454	1,148,055
Doctors	(000's)	(000's)	(000's)	(000's)	(000's)
Total Payments	€306,250	€286,830	€271,939	€203,863	€165,975
Doctors' Payment per Person	€261.53	€247.66	€221.15	€169.46	€138.43
Pharmacies	(000's)	(000's)	(000's)	(000's)	(000's)
Total Cost of Prescriptions	€747,905	€636,566	€537,874	€422,464	€328,348
Ingredient Cost	€585,122	€503,578	€423,269	€329,497	€262,881
Dispensing Fee	€149,081	€121,115	€104,827	€85,413	€59,325
VAT	€13,702	€11,873	€9,778	€7,554	€6,142
Number of Forms	12,794	12,243	11,551	10,454	9,737
Number of Items	35,030	32,241	29,500	25,521	22,882
Cost per Form	€58.46	€51.99	€46.57	€40.41	€33.72
Cost per Item	€21.35	€19.74	€18.24	€16.55	€14.35
Ingredient Cost per Item	€16.70	€15.62	€14.35	€12.91	€11.49
Items per Form	2.74	2.63	2.55	2.44	2.35
Total Cost of Stock Orders	(000's)	(000's)	(000's)	(000's)	(000's)
Ingredient Cost	€15,413	€14,096	€13,018	€11,555	€10,455
Pharmacy Fees	€11,944	€10,904	€10,059	€8,945	€8,072
VAT	€2,986	€2,726	€2,515	€2,222	€2,019
Overall Cost of Medicines	(000's)	(000's)	(000's)	(000's)	(000's)
	€763,318	€650,662	€550,892	€434,019	€338,803
* Pharmacy Payment per Person	€692.73	€595.16			
Overall Payments	€1,063,788	€937,493	€822,831	€637,882	€504,778
*Overall Payment per Person	€954.26	€842.82			

Doctors' payment per person is exclusive of superannuation paid to retired DMOs.

*Since 2003 these figures are based on the actual number of persons who availed of services.

Summary of Statistical Information relating to the LTI and DP Schemes for each of the five years 2000-2004

	2004	2003	2002	2001	2000
LTI Scheme					
Number of Eligible Persons in December	93,504	97,184	92,745	87,988	82,619
*Number of Claimants	50,526	48,053			
	(000's)	(000's)	(000's)	(000's)	(000's)
Number of Items	1,675	1,464	1,280	1,157	988
Total Cost	€85,551	€73,348	€61,636	€52,081	€41,736
Cost per Item	€51.08	€50.11	€48.15	€44.98	€42.26
*Cost per Claimant	€1,693.21	€1,526.40			
DP Scheme					
Number of Eligible Persons in December	1,469,251	1,396,813	1,319,395	1,156,836	942,193
*Number of Claimants	499,664	474,411			
	(000's)	(000's)	(000's)	(000's)	(000's)
Number of Items	9,933	9,311	9,063	8,985	7,776
Gross Cost	€351,144	€315,832	€287,489	€262,187	€212,087
Net Cost	€223,959	€204,422	€192,366	€177,617	€140,598
Gross Cost per Item	€35.35	€33.92	€31.72	€29.18	€27.27
*Net Cost per Claimant	€448.22	€430.90			

*Since 2003 these figures are based on the actual number of persons who availed of services under each Scheme.

Fees and Allowances under Capitation Agreement

Capitation Fees as at 31st December 2004

Ages	Up to 3 Miles		3-5 Miles		5-7 Miles		7-10 Miles		Over 10 Miles	
	Male €	Female €	Male €	Female €	Male €	Female €	Male €	Female €	Male €	Female €
Up to 4	64.67	63.15	67.94	66.45	72.76	71.29	77.55	76.10	83.50	82.00
5 - 15	38.79	39.20	40.16	40.57	42.13	42.60	44.08	44.52	46.52	46.90
16 - 44	48.68	77.69	50.44	79.45	53.04	82.04	55.62	84.19	58.73	87.74
45 - 64	94.22	103.24	98.44	107.46	104.69	113.69	110.84	119.87	118.50	127.47
65 - 69	99.11	110.22	110.85	121.98	128.30	139.41	145.43	156.55	166.73	177.87
70 and over	108.74	120.18	120.83	132.32	138.87	150.31	156.56	168.04	178.54	190.05

Above rates inclusive of supplementary Out-of-Hours Fee.

The Capitation rate is €495.07 per annum for persons aged 70 years and over in the community issued with a medical card for the first time regardless of income. A Capitation rate of €717.48 per annum will apply to anyone aged 70 years and over in a private nursing home (approved by a Health Board) for continuous periods in excess of five weeks.

Out-of-Hours Payment				Practice Payments for Rural Areas				* Special Items of Service.
Surgery		€37.31		Rural Practice Allowance Per Annum		€15,313.74		(i) Excisions/Cryotherapy/ Diathermy of Skin Lesions.
<i>Domiciliary</i>				Practice Support				(ii) Suturing of Cuts and Lacerations.
Up to 3 miles		€37.31		Allowance for Practice Secretary up to a maximum Per Annum of		€20,491.10		(iii) Draining of Hydroceles.
3 - 5 miles		€49.78		Allowance for Practice Nurse up to a maximum Per Annum of		€32,200.30		(iv) Treatment and Plugging of Dental and Nasal Haemorrhages.
5 - 7 miles		€56.06						(v) Recognised Vein Treatment.
7 - 10 miles		€62.20		Contributions to Locum Expenses (Subject to the conditions of the Agreement)				(vi) ECG Tests and their Interpretation.
Over 10 miles		€74.66		Annual Leave	—	Up to a maximum of		(vii) Instruction in the fitting of a Diaphragm.
Additional Fee		€29.14		Sick Leave		€1,299.02 per week		(viii) Removal of Adherent Foreign Bodies from the Conjunctival Surface of the Eye.
*Special Items of Service				Study Leave		Up to a maximum of		(ix) Removal of Lodged or Impacted Foreign Bodies from the Ear, Nose and Throat.
(i) to (ix)		€23.33		Maternity Leave	—	€185.57 per day		(x) Nebuliser Treatment in the case of Acute Asthmatic Attack.
(x) and (xi)		€35.01		Paternity Leave				(xi) Bladder Catheterization.
(xii)		€58.36		Contributions to Medical Indemnity Insurance				(xii) Attendance at case conferences (in cases where such are convened by a DCC/MOH).
(xiii)		€40.49		Calculation of contribution is related to GMS panel numbers and net premium.				(xiii) Advice and Fitting of a Diaphragm.
(xiv)		€64.74		Asylum Seekers				(xiv) Counselling and Fitting of an IUCD.
(xv) and (xvi)		€32.12		A one off superannuable registration fee of €143.50 per relevant patient will be paid to Doctors in respect of each such patient on their GMS Scheme panels.				(xv) Pneumococcal Vaccination.
(xvii)		€48.17						(xvi) Influenza Vaccination.
(xviii)		€115.81						(xvii) Pneumococcal/Influenza Vaccination.
		+Mileage						(xviii) Hepatitis B Vaccination.
Temporary Residents								
Surgery		€37.31						
<i>Domiciliary</i>								
Up to 3 miles		€37.31						
3 - 5 miles		€49.78						
5 - 7 miles		€56.06						
7 - 10 miles		€62.20						
Over 10 miles		€74.66						
Rural Dispensing Fee		€11.35						
Fee for Second Medical Opinion		€24.89						

Fees and Allowances under the Fee-Per-Item Agreement and Fees under the Immunisation Scheme, Health (Amendment) Act 1996 and Methadone Treatment Scheme

		As at 31st December 2004	
Surgery Consultations			
Day	Normal Hours	€10.28	
Late	Outside Normal Hours other than (Night)	€14.61	
Night	Midnight to 8.00 a.m.	€28.91	
Domiciliary Consultations			
Day	Normal Hours		
	Urban	€15.17	
	Up to 3 miles	€15.17	
	3-5 miles	€19.86	
	5-7 miles	€26.66	
	7-10 miles	€33.43	
	Over 10 miles	€41.81	
Late	Outside Normal Hours		
	Urban	€19.86	
	Up to 3 miles	€19.86	
	3-5 miles	€25.67	
	5-7 miles	€33.43	
	7-10 miles	€44.41	
	Over 10 miles	€52.09	
Night	Midnight to 8.00 a.m.		
	Urban	€38.93	
	Up to 3 miles	€38.93	
	3-5 miles	€50.03	
	5-7 miles	€63.29	
	7-10 miles	€70.63	
	Over 10 miles	€76.68	
Emergency Fee/EEA Fee (Additional to Standard Fee)		€11.24	
Dispensing Fee		€11.24	
Rural Practitioner's Allowance			
Per Annum		€6,626.58	
Locum and Practice Expense Allowance			
Per Annum		€1,290.02	
Sessional Rate - Homes for the Aged			
Per 3 Hour Session		€68.85	
*Special Items of Service			
(i) to (vii)		€21.11	
(viii) and (ix)		€32.12	
(x)		€48.17	
(xi)		€115.81	
Immunisation Fees			
(i) Registration of child with a GP		€33.68	
(ii) Complete course of immunisation against DPT/DT; Hib; Polio and MMR		€112.21	
(iii) 95% uptake bonus		€54.05	
Health (Amendment) Act 1996			
Surgery Fee		€32.16	
Domiciliary Fee		€42.40	
Methadone Treatment Scheme			
Level 1 Contractor		€131.91	
Level 2 Contractor		€145.49	

- * Special Items of Service.
- (i) Excisions/Cryotherapy/Diathermy of Skin Lesions.
 - (ii) Suturing of Cuts and Lacerations.
 - (iii) Draining of Hydroceles.
 - (iv) Treatment and Plugging of Dental and Nasal Haemorrhages.
 - (v) Recognised Vein Treatment.
 - (vi) ECG Tests and their Interpretation.
 - (vii) Instruction in the fitting of a Diaphragm.
 - (viii) Pneumococcal Vaccination.
 - (ix) Influenza Vaccination.
 - (x) Pneumococcal/Influenza Vaccination.
 - (xi) Hepatitis B Vaccination.

Scale of Fees Payable to Participating Pharmacists as at 31st December 2004

GMS Scheme		c
Standard Fee-Per-Item (Note 1)		298.00
Extemporaneous Fee		570.02
Extemporaneous dispensing and compounding of		
- Powders		1,710.05
- Ointments and Creams		1,140.03
Controlled Drugs		460.18
Non-Dispensing - exercise of professional judgement		285.01
Phased Dispensing - each part of phased dispensing		285.01
Urgent/Late Dispensing		
Additional fee for Urgent/Late dispensing other than between midnight and 8.00 a.m. (Note 2)		793.62
Additional fee for Urgent/Late dispensing between midnight and 8.00 a.m.		1,639.14
Note 1	253.71c basic fee and 44.28c allowance for containers, obsolescence etc.	
Note 2	Urgent fee prescriptions are those so specified by the prescriber and necessarily dispensed outside normal hours. Late fee prescriptions are those which, though not marked urgent, are in exceptional circumstances necessarily dispensed outside normal hours by the Pharmacist, having regard to the person's requirements.	
Note 3	A Standard Fee-Per-Item is also payable on prescription forms issued by Dentists under the DTS Scheme.	
Note 4	A Fee-Per-Item of 392.71c is also payable on prescription forms in respect of persons aged 70 years and over issued with a medical card for the first time regardless of income.	
Supplies to Dispensing Doctors		
Pharmacies supplying Dispensing Doctors are reimbursed on the basis of the basic trade price with the addition of 25% on cost.		
DP/LTI/EEA Schemes and Health (Amendment) Act 1996		
Reimbursement of ingredient cost plus 50% mark-up on ingredient cost plus Standard Fee - 259c (Note 1)		
20% mark-up on Incontinence Products and Dressings under DP Scheme		
Extemporaneously dispensed preparations are reimbursed at current private prescription rates. In the case of the Drugs Payment Scheme the Board makes payments to Pharmacies in respect of authorised Patients whose monthly costs of prescribed drugs and medicines are in excess of the specified monthly amount (currently €78) payable to the Pharmacy by an individual or family.		
Note 1	The standard fee is an all inclusive fee which includes container and broken bulk allowance.	
High Tech Medicines Scheme		
Patient Care Fee: €49.64 per month.		
Methadone Treatment Scheme		
Patient Care Fee: Up to a Maximum of €49.59 per month.		

Scale of Fees Payable under the Dental Treatment Services Scheme

Treatment Type	As at 31st December 2004 Routine €
Oral Examination	28.90
Prophylaxis	27.15
Restoration (Amalgam)	43.68
Restoration (Composite) 6 anterior teeth only	45.28
Exodontics (Extraction under local anaesthetic)	34.51
Surgical Extraction - Maximum 3 units:	
Fee payable for each 15 minute unit	30.73
Maximum	92.19
1st Stage Endodontic Treatment (Anterior teeth only)	50.00
Denture Repairs	
1st Item of Repair	39.76
Each Subsequent Item	12.74
Maximum	65.25
Apicectomy/Amputation of Roots	*Dentist Estimate
Endodontics (Anterior teeth only)	*Dentist Estimate
Protracted Periodontal Treatment	*Dentist Estimate
Radiographs	
1 Film	21.62
2 or more Films	32.69
Panoramic	36.19
Miscellaneous	
(e.g. Abscess, Haemorrhage, Dressings etc.)	19.77
Prosthetics	
Full Upper or Lower Denture (Other than Edentulous Persons)	271.01
Partial Upper or Lower Acrylic Denture	198.78
Complete Upper or Lower Reline	108.49
Complete Upper and Lower Reline	180.59
Full Upper and Lower Denture (Edentulous Persons Only)	397.72

* Dentist Estimates are subject to agreement between a Dentist and a Health Board.

Scale of Fees Payable under the Health Board Community Ophthalmic Services Scheme

As at 31st December 2004

Examinations	€		€
Eye Examination Ophthalmic Optician	21.11	Prism (1)	6.45
Eye Examination Ophthalmologist/ Ophthalmic Medical Practitioner	23.95	Prisms (2)	12.90
Medical Eye Examination by Ophthalmologist	47.90	Prisms (3)	19.35
Eye Examination for Contact Lenses (Grant)	66.27 (H)	Prisms (4)	25.80
		Prisms (5)	32.25
		Prisms (6)	38.70
		Prisms (7)	45.15
		Prisms (8)	51.59
		Dioptric powers higher than 8.00 (1) Lens	6.15
		Dioptric powers higher than 8.00 (2) Lenses	12.29
		Dioptric powers higher than 8.00 (3) Lenses	18.44
		Dioptric powers higher than 8.00 (4) Lenses	24.59
		Anti-Reflective Coating on Plastic Lens (1)	18.54 (H)
		Anti-Reflective Coating on Plastic Lenses (2)	37.07 (H)
		Dioptric powers higher than 6.00 (Plastic) (1) Lens	15.37
		Dioptric powers higher than 6.00 (Plastic) (2) Lenses	30.73
		Dioptric powers higher than 6.00 (Plastic) (3) Lenses	46.10
		Dioptric powers higher than 6.00 (Plastic) (4) Lenses	61.47
		Plastic Lens (1) for Children as prescribed	4.90
		Plastic Lenses (2) for Children as prescribed	9.80
		Plastic Lens (1) Adult	4.90 (H)
		Plastic Lenses (2) Adult	9.80 (H)
		Bifocals	
		Spectacles Bifocal Complete	89.37
		Fused Bifocal Spectacles	170.63 (H)
		Varifocal Spectacles - Glass or Plastic	266.38 (H)
		Bifocal Lenses	
		Replacement Bifocal Lens (1) to own frame	39.77
		Replacement Bifocal Lenses (2) to own frame	79.54
		Bifocal Lens (1) to Non-Standard Frame	52.31 (H)
		Bifocal Lenses (2) to Non-Standard Frame	104.62 (H)
		Varifocal Lens (1) (Grant)	99.97 (H)
		Varifocal Lenses (2) (Grant)	199.94 (H)
		Other Items - Bifocals	
		Sphere over 6.00 and up to 9.00 extra charge (1) Lens	4.15
		Sphere over 6.00 and up to 9.00 extra charge (2) Lenses	8.30
		Sphere over 9.00 extra charge (1) Lens	9.22
		Sphere over 9.00 extra charge (2) Lenses	18.44
		Tinted Lens (1)	8.55
		Tinted Lenses (2)	17.11
		Prism (1)	9.09
		Prisms (2)	18.17
		Repairs	
		Replacement Frame to own lenses	13.52
		Replacement Front to own lenses	6.22
		Replacement Side (1) to own frame	2.61
		Replacement Sides (2) to own frame	5.23
		Complete New Frames	90.00 (H)

**Financial
Statements
for year ended
31st December
2004**



General Medical Services (*Payments*) Board
An Bord Seirbhísí Liachta Ginearálta (Iocaíochtaí)

Contents

<i>General Medical Services (Payments) Board and Other Information</i>	40
<i>Statement of the Board Members' Responsibilities</i>	41
<i>Statement on the System of Internal Financial Control</i>	42
<i>Accounting Policies</i>	43
<i>Income and Expenditure Account</i>	44
<i>Balance Sheet</i>	45
<i>Cash Flow Statement</i>	46
<i>Notes to the Financial Statements</i>	47

General Medical Services (Payments) Board and Other Information

Board Members

Ms. M. Windle	Northern Area Health Board (<i>Chairman</i>)
Mr. S. Mannion	Western Health Board (<i>Vice Chairman</i>)
Mr. D. Moloney	Department of Health & Children
Ms. B. Kiberd	Eastern Regional Health Authority
Mr. P. O'Dowd	Midland Health Board
Ms. B. Hyland	North Western Health Board
Mr. T. Hourigan	Mid-Western Health Board
Mr. R. Dooley	South Eastern Health Board
Mr. C. Desmond	Department of Health & Children
Mr. P. Healy	Southern Health Board
Mr. T. McGuinn	Department of Health & Children
Mr. H. Kane	South Western Area Health Board
Ms. M. O'Connell	East Coast Area Health Board
Mr. G. Day	North Eastern Health Board

Chief Officer

Mr. P. Burke

Auditor

Comptroller & Auditor General
Dublin Castle
Dublin 2

Bankers

Bank of Ireland
Phibsborough
Dublin 7

Solicitors

Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2

Statement of Board Members' Responsibilities for year ended 31st December 2004

The Board is required by the General Medical Services (Payments) Board (Establishment) Order, 1972 to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the General Medical Services (Payments) Board and of the income and expenditure for that period.

In preparing those statements, the Board is required to –

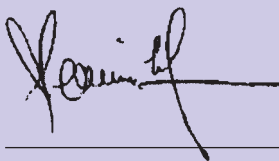
- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- disclose and explain any material departures from applicable accounting standards
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the General Medical Services (Payments) Board will continue in existence.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the General Medical Services (Payments) Board and which enable it to ensure that the financial statements comply with the Order. It is also responsible for safeguarding the assets of the General Medical Services (Payments) Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board



Maureen Windle, *Chairman*



Seamus Mannion, *Vice Chairman*

Statement on the System of Internal Financial Control

Responsibility for the System of Internal Financial Controls

On behalf of the Board of the General Medical Services (Payments) Board I acknowledge our responsibility for reviewing and ensuring the effectiveness of the organisations system of internal financial controls.

The Management of the Board through the Chief Officer is responsible for monitoring the system of internal control and providing assurances to the Board.

A system of internal control is designed to reduce rather than eliminate risk and such a system can provide only a reasonable and not an absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner.

Key Control Procedures

The following is a description of the key procedures which have been put in place by our Board designed to provide effective internal financial control.

- (i) The Board has an established organisational structure with clearly defined lines of responsibility and reporting. The Board's Executive has responsibility for the implementation and maintenance of the system of internal financial control. Formal procedures for reporting significant control failures and ensuring corrective action are in place.
- (ii) The strength of the internal financial control systems is dependant on the quality and integrity of both management and staff.
- (iii) The Board operates a comprehensive Financial Management and Reporting process. The Board's expenditure is monitored against allocation on a monthly basis by the Department of Health & Children with all significant variances investigated and explained.

(iv) The Board has defined authorisation procedures in respect of procurement and payment of creditors. These authorisation limits together with statements on internal control requirements are set out in the Board's Financial Regulations.

(v) The procedures for monitoring the effectiveness of the internal financial control system include:

- A Finance Committee which meets regularly and reviews financial performance;
- The Board's Financial Management System contains inbuilt authorisation controls to ensure that only authorised staff can carry out the specific processes;
- The work of Internal Audit which is informed by analysis of the risk. The Internal Audit plans are endorsed by the Audit Committee;
- An Audit Committee which meets at least quarterly and which includes independent non-executive members.

(vi) The Board's monitoring and review of the effectiveness of the system of internal control is informed by the work of the members of the Board, the Finance & Audit Committees, the Internal Auditor and the comments made by the Comptroller and Auditor General in his management letter or other reports.

Review of Controls

I confirm that in the year ended 31st December 2004 the Board carried out a review of internal financial controls.

On behalf of the Board



Maureen Windle, *Chairman*

Accounting Policies

The Board was set up to make payments on behalf of the Health Boards for general practitioner, pharmaceutical services, dental treatment and ophthalmic services, which the Health Boards provide to qualifying persons under the Health Act 1970. The Board is reimbursed its direct costs together with the administration costs incurred in operating the payments service as set out in Note 1 to the Financial Statements.

1. Basis of Accounting

The accounts have been prepared on an accruals basis to reflect the costs of medicines and medical services provided, and the administration costs incurred in the year, and the matching income receivable to fund these costs.

By direction of the Minister for Health & Children no provision has been made in respect of benefits payable under the Local Government Superannuation Scheme.

2. Doctors' Fees and Allowances

Most services from Doctors are provided under an agreement concluded in 1989. Fees are mainly based on capitation taking into account the age of the patient and the distance from the surgery.

3. Pharmaceutical Services

Payments to Pharmacists are made under a service agreement with Health Boards concluded in 1996. This agreement covers medical card holders and other schemes. With effect from 1996 claims have been subject to third party confirmation.

4. Dental Treatment Services Scheme

Payments under this heading comprise amounts paid to Dentists operating as private practitioners in respect of dental treatment provided for GMS patients. The balance of such treatment is provided directly by the Health Boards.

5. Health Board Community Ophthalmic Services Scheme

Payments under this heading comprise amounts paid from 1st July 1999 to Optometrists and Ophthalmologists operating as private practitioners in respect of examinations and appliances provided to adult GMS patients. Services for children are separately provided for by Health Boards.

6. Fixed Assets and Depreciation

Fixed Assets are stated at cost less accumulated depreciation. Depreciation is provided for on all fixed

assets in order to write off the cost or valuation of the assets over their anticipated useful lives. The following rates of Depreciation have been applied on a straight line basis.

Furniture, Fixtures & Fittings	10%
Information Technology	20%
Library	10%
Office Equipment	10%

7. Superannuation

Staff

No provision has been made in respect of benefits payable under the Local Government Superannuation Scheme as the liability is underwritten by the Minister for Health & Children. Contributions from employees who are members of the Scheme are credited to the Income and Expenditure Account when received. Pension payments under the Scheme are charged to the Income and Expenditure Account when paid.

Doctors

A contribution of 10% of capitation payments is made by the Board towards the superannuation of participating Doctors.

8. Income

In accordance with the Board's Establishment Order, payments made by the Board in respect of services, along with its other expenses, are met by the Health Boards and by the Department of Health & Children on behalf of Health Boards. On this basis the Board recognises income to match expenditure as it is incurred. Since 1987 the practice has been each year that the core allocation to the Board, for the Medical Card Scheme, has been provided through the Department of Health & Children vote.

9. Stocks

Dispensing Doctors' Stocks

Medicines, drugs and appliances can only be supplied to a Dispensing Doctor on receipt of a stock order form fully completed by him/her that has received approval from the Health Board.

High Tech Stocks

Under the arrangements in place for the supply of High Tech Medicines by Community Pharmacies, supply of drugs/medicines can be called forward from Wholesalers by Community Pharmacists for dispensing to approved persons.

Income and Expenditure Account for year ended 31st December 2004

	Notes	2004 €	2003 €
Income			
Recoupment from Department of Health & Children and Health Boards	1	1,636,175,016	1,463,637,814
Rebate from Pharmaceutical Manufacturers		15,941,503	14,788,005
Other Income	2	1,923,284	532,457
Total Income		1,654,039,803	1,478,958,276
Expenditure			
Administration	3	15,495,193	12,495,917
Doctors' Fees and Allowances	4	323,624,764	311,689,130
Pensions paid to former DMOs or Dependants	5	5,817,788	5,907,892
Pharmaceutical Services	6	1,234,067,301	1,080,347,266
Dental Treatment Services Scheme	7	53,351,168	50,126,119
Community Ophthalmic Services Scheme	8	17,472,605	14,818,079
Depreciation	10	912,111	924,748
Total Expenditure		1,650,740,930	1,476,309,151
Surplus/(Deficit) for year		3,298,873	2,649,125
Accumulated fund at 1st January		12,224,027	9,574,902
Accumulated fund at 31st December		15,522,900	12,224,027

A statement of recognised gains and losses has not been prepared as the only recognised surplus for the year and the preceeding year was the surplus as stated above.

The Accounting Policies and Notes 1-16 form part of these Financial Statements.

Balance Sheet as at 31st December 2004

		2004		2003	
	Notes	€	€	€	€
Fixed Assets	10		1,388,930		2,080,585
Current Assets					
Debtors	11	248,805,390		235,335,690	
Stocks on Hand	12	14,108,903		10,118,375	
Bank		1,036,144		5,685,934	
Cash		201		152	
		<u>263,950,638</u>		<u>251,140,151</u>	
Current Liabilities					
Creditors	13	249,816,668		240,996,709	
		<u>249,816,668</u>		<u>240,996,709</u>	
Net Current Assets			<u>14,133,970</u>		<u>10,143,442</u>
Net Assets			<u>15,522,900</u>		<u>12,224,027</u>
Represented by:					
Accumulated Fund			<u>15,522,900</u>		<u>12,224,027</u>

The Accounting Policies and Notes 1-16 form part of these Financial Statements.

Cash Flow Statement for year ended 31st December 2004

	Note	2004 €	2003 €
Net Cash (Outflow)/Inflow from Operating Activities	(A)	(4,429,285)	10,260,418
Investing Activities			
Purchase of Fixed Assets		(220,456)	(940,627)
(Decrease)/Increase in Cash and Cash Equivalents	(B)	(4,649,741)	9,319,791

(A) Analysis of Net Cash Inflow/(Outflow) from Operating Activities

	2004 €	2003 €
Operating Surplus/(Deficit)	3,298,873	2,649,125
Depreciation Charges	912,111	924,748
(Increase)/Decrease in Debtors	(13,469,700)	(44,662,155)
(Increase)/Decrease in Stocks on Hand	(3,990,528)	(2,633,246)
Increase/(Decrease) in Creditors	8,819,959	53,981,946
Net Cash (Outflow)/Inflow from Operating Activities	(4,429,285)	10,260,418

(B) Reconciliation of Increase/(Decrease) in cash and cash equivalents as shown in the Balance Sheet

	2004 €	2003 €	Change in Year
Bank	1,036,144	5,685,934	(4,649,790)
Cash in Hand	201	152	49
	1,036,345	5,686,086	(4,649,741)

Notes to the Financial Statements

1. Recoupment from Department of Health & Children/Health Boards

The Health Boards fund the cost of the following Schemes administered by the Board - Drugs Payment Scheme/Long Term Illness Scheme/Ophthalmic Services Scheme/Dental Treatment Services Scheme/Childhood and GMS Immunisation Schemes/High Tech Drugs Scheme in respect of Non-GMS patients and Methadone Scheme. Funding for the other schemes and services administered by the Board, as well as the Board's administration costs, is provided by the Department of Health & Children, on behalf of the Health Boards. The sums provided were:

	2004	2003
	€	€
Department of Health & Children	1,176,017,205	1,050,277,557
Health Boards	460,157,811	413,360,257
	<u>1,636,175,016</u>	<u>1,463,637,814</u>

2. Other Income

	2004	2003
	€	€
Superannuation deductions GMS Staff	233,235	201,247
Superannuation deductions former District Medical Officers and Dependants	35,053	33,007
Bank Interest and Sundries	1,654,996	298,203
	<u>1,923,284</u>	<u>532,457</u>

3. Administration Expenditure

	2004	2003
	€	€
Staff Remuneration	5,367,861	4,878,681
Health Board Stationery	1,221,950	1,157,941
Computer Development	2,724,498	3,358,638
Premises Rent and Services	522,995	377,110
Office Supplies, Printing and Stationery	1,643,087	1,410,727
Bank Interest/Charges	10,461	14,769
Repairs and Maintenance (Equipment & Premises)	115,037	117,260
Postage and Telephone	1,016,533	576,269
Journals and Periodicals	117,042	108,421
Medical Training Courses	-	-
Legal Expenses	4,612	15,691
Audit Fee	79,500	49,434
Bad Debts/Bad Debts Provision	-	-
Sundry Administration	2,671,617	430,976
	<u>15,495,193</u>	<u>12,495,917</u>

Notes to the Financial Statements

4. Doctors' Fees & Allowances	2004	2003
	€	€
Fees		
Capitation	156,471,183	154,276,815
Board's contribution to Doctors' Superannuation Scheme	16,111,805	15,205,570
Special Type Consultations/Special Services	23,252,232	21,677,260
Out-of-Hours Fees	25,073,213	22,464,250
Fee-Per-Item Services	1,226,438	1,374,424
Dispensing Fees	1,854,761	2,393,349
Registration/Vaccination Fees	4,026,347	4,083,044
Methadone Fees	5,448,634	2,497,034
Heartwatch	1,500,387	1,022,800
Other Payments	217,531	201,587
	<u>235,182,531</u>	<u>225,196,133</u>
Allowances		
Leave (Annual/Sick/Study/Maternity/Paternity)	10,243,005	9,361,006
Rural Practice Allowance	3,027,274	2,966,901
Practice Support	42,786,700	36,895,398
Rostering/Out-of-Hours Payments	6,590,173	6,535,443
Practice Equipment Payment	4,288,672	4,356,914
Locum & Practice Expenses	6,416	63,433
Medical Indemnity Insurance	2,167,783	1,772,892
Practice Support Grant	2,651,607	2,523,658
Drug Target Refunds	13,037,893	18,706,749
IMO Agreement:		
Trainers/Trainees/One in One Rotas	1,656,627	1,457,736
	<u>86,456,150</u>	<u>84,640,130</u>
Salaries		
Salaries and Lump Sums to District Medical Officers	1,986,083	1,852,867
Total Doctors' Fees & Allowances	<u>323,624,764</u>	<u>311,689,130</u>

5. Payments to Former District Medical Officers/Dependants

The Board made superannuation payments to 259 former District Medical Officers or their dependants. These payments arose from the officer status with Health Boards of the Doctors and their entitlement to hold General Practitioner contracts.

6. Pharmaceutical Services	2004	2003
	€	€
Pharmacists' GMS Claims	762,331,686	676,452,624
DP/LTI Claims	317,198,147	288,282,181
European Economic Area Claims	1,837,458	1,661,883
High Tech Claims	144,797,406	106,818,906
Other Payments	1,368,036	1,147,623
Methadone Treatment Claims	6,534,568	5,984,049
	<u>1,234,067,301</u>	<u>1,080,347,266</u>

Notes to the Financial Statements

7. Dental Treatment Services Scheme

	2004	2003
	€	€
Emergency	-	-
Routine Dental Treatments	53,322,236	50,069,464
Denture Claims	(5,463)	27,675
Laboratory Claims	-	-
Other Payments	34,395	28,980
	<u>53,351,168</u>	<u>50,126,119</u>

8. Community Ophthalmic Services Scheme

Fees	9,393,141	7,675,257
Appliances	8,079,464	7,142,822
	<u>17,472,605</u>	<u>14,818,079</u>

9. Leasehold Premises

The Board's office premises are held on a 35 year lease dated 1st December 1974 from Calvinia Ltd. The annual rent is €177,763, effective from 1st December 1999, with 5 year rent reviews. The matter of securing a valuation of the Board's leasehold interest, with a view to its inclusion in the Balance Sheet was examined. In the absence of any quantifiable benefit to the Board the cost of a valuation could not be justified at this time.

10. Fixed Assets

	Furniture Fixtures Fittings	Information Technology	Library	Office Equipment	Total
Cost	€	€	€	€	€
Cost at 1.1.04	658,272	6,500,379	2,223	151,160	7,312,034
Additions 2004	14,180	200,098	75	6,103	220,456
	<u>672,452</u>	<u>6,700,477</u>	<u>2,298</u>	<u>157,263</u>	<u>7,532,490</u>
Depreciation					
Accumulated Depreciation at 1.1.04	594,796	4,568,813	2,000	65,840	5,231,449
Depreciation for Year ended 31.12.04	12,366	883,898	121	15,726	912,111
	<u>607,162</u>	<u>5,452,711</u>	<u>2,121</u>	<u>81,566</u>	<u>6,143,560</u>
Net Book Value at 31.12.04	<u>65,290</u>	<u>1,247,766</u>	<u>177</u>	<u>75,697</u>	<u>1,388,930</u>
Net Book Value at 31.12.03	<u>63,476</u>	<u>1,931,566</u>	<u>223</u>	<u>85,320</u>	<u>2,080,585</u>

Notes to the Financial Statements

11. Debtors

	2004	2003
	€	€
Department of Health & Children and Health Boards	225,560,598	208,396,478
Rebates due from Pharmaceutical Manufacturers	6,663,347	6,789,780
Advance Payments to Pharmacists	16,487,668	18,355,725
Sundry Debtors	93,777	1,793,707
	<u>248,805,390</u>	<u>235,335,690</u>

12. Stocks on Hand

Dispensing Doctors' Stocks	2,179,314	2,103,550
High Tech Stocks	11,929,589	8,014,825
	<u>14,108,903</u>	<u>10,118,375</u>

13. Creditors

Doctors' Fees/Salaries	74,428,052	78,003,729
Pharmacists' Claims	163,296,883	151,539,856
Dental Treatment Services Scheme	5,989,556	6,381,016
Community Ophthalmic Services Scheme	1,534,703	1,376,418
Sundry Creditors	4,567,474	3,695,690
	<u>249,816,668</u>	<u>240,996,709</u>

14. Indicative Drug Target Scheme - Cumulative Savings

The following table gives a breakdown of the cumulative savings made and the amounts paid under the Indicative Drug Target Savings Scheme.

Savings Generated	General		Total
	Health Board	Practitioner	
	€	€	€
Eastern Regional Boards	6,488,090	38,494,097	44,982,187
Midland	1,325,822	6,413,874	7,739,696
Mid-Western	1,872,330	9,970,997	11,843,327
North Eastern	1,961,325	10,255,251	12,216,576
North Western	2,768,197	17,284,645	20,052,842
South Eastern	3,310,145	16,142,989	19,453,134
Southern	3,351,610	17,870,926	21,222,536
Western	3,794,825	20,969,779	24,764,604
Research & Education Fund	-	-	2,830,074
National Savings	<u>24,872,344</u>	<u>137,402,558</u>	<u>165,104,976</u>

Notes to the Financial Statements

14. Indicative Drug Target Scheme - Cumulative Savings (continued)

The following table gives a breakdown of the cumulative savings made and the amounts paid under the Indicative Drug Target Savings Scheme.

Payments	Health Board	General Practitioner	Total
	€	€	€
Eastern Regional Boards	4,224,577	22,713,418	26,937,995
Midland	1,245,645	4,045,810	5,291,455
Mid-Western	1,813,527	6,903,376	8,716,903
North Eastern	1,401,439	7,226,083	8,627,522
North Western	2,173,859	14,422,490	16,596,349
South Eastern	2,731,367	11,948,796	14,680,163
Southern	2,325,061	13,379,068	15,704,129
Western	2,148,396	12,971,760	15,120,156
Research & Education Fund	-	-	1,899,220
National Savings Distributed	18,063,871	93,610,801	113,573,892
Balance of Savings at 31st December 2004	6,808,473	43,791,757	51,531,084

15. Invalid/Ineligible Claims

Following a Government Decision in December 2002, the Minister for Health & Children directed that the practice of reimbursing Community Pharmacy Contractors for claims in cases where the eligibility of the patient cannot be verified be discontinued. The Board has taken the necessary steps to implement this decision.

16. GMS Medical Cards Disclosure in Respect of Persons Aged 70 years and Over

A national review of the GMS panels in respect of persons aged 70 or over commenced in April 2002 to determine the level of excess payments to GPs in respect of ineligible patients and duplicate records. Management and Control of the Register has been strengthened and a significant body of work has been completed in relation to this matter. The Department of Health & Children, the Health Boards and the Board are committed to the recovery of any excess payments, taking account of the legal and practical issues involved.

