

## **Insourcing Assurance Review**

### **Final Report**

**21st July 2025**

### **Introduction**

The NTPF enables the longest waiting public patients get faster access to timely care by arranging in-patient and day case procedures, outpatient appointments, and GI scope procedures through outsourcing arrangements with private hospitals and insourcing initiatives agreed with public hospitals.

The NTPF has strict processes and protocols in place for the administration of NTPF-funded Commissioning programmes which are set out in the relevant Memorandum of Understanding (MOU) for each public hospital and contract for outsourced work for each private hospital.

- Outsourcing arrangements involve the NTPF procuring treatments and care for public patients in private hospitals. Every year private hospitals tender to offer care across a wide range of specialties. NTPF select the hospitals with available capacity and suitability of location, giving the NTPF options to offer treatment and care across almost all specialties, from cataracts to hip replacements and scopes to first-time consultations.
- Insourcing is where the NTPF provides funding directly to public hospitals for treatment or outpatient consultations seen outside core activity, which is additional to the activity funded by the HSE. Insourcing means we can maximise the existing resources within the public hospital system. (The process involves senior management in public hospitals applying to the NTPF to secure funding, outlining their opportunity to get long waiting patients treated faster and providing a specific treatment plan and solution. The application is reviewed by our Commissioning Team and then forwarded to NTPF senior management for approval).

The NTPF and its Board have been deeply concerned by recent allegations of breaches of its processes by public hospitals concerning insourcing initiatives and the reported potential misuse of NTPF funding for insourcing initiatives. It is important to note that payments for work undertaken as part of the MOU are made only to the hospital and never to any individual consultant, other staff member or third-party provider.

Considering these allegations and as part of the ongoing governance and oversight of NTPF Commissioning programmes, at the end of May 2025, the NTPF initiated an Insourcing Assurance Review and issued correspondence to hospitals who participate in insourcing initiatives funded by the NTPF to seek assurances of full compliance with its MOU.

## Scope of the Review

### In scope

The review included 38 public hospitals nationally who had applied for and received approval to proceed with NTPF funded insourcing initiatives in 2025. Correspondence was issued to the most senior level within each individual hospital, where further clarification was required, Regional Executive Officers were engaged.

### Out of Scope

Beaumont Hospital was excluded from the scope of this review as insourcing initiatives had been suspended on 11<sup>th</sup> April 2025 due to reported potential issues in relation to NTPF-funded insourcing work. HSE Internal Audit are currently undertaking a review of these potential issues.

## Objectives

The objective of the Insourcing Assurance Review is to seek assurance from hospitals engaged in NTPF Insourcing Initiatives that:

1. **All insourcing activities are being carried out strictly outside of core activity** and are not displacing or overlapping with services already funded under the HSE National Service Plan.
2. **No costs already funded by the HSE**, including capital or core-funded staff costs, are being included in NTPF reimbursement claims.
3. **All staffing arrangements** are in line with public pay policy and comply with HSE consolidated pay scales for core hours, overtime, and premium payments.

## Findings of the Review

### Responses Received

At the time of drafting this report all hospitals responded to the review.

### Third Party Providers

Although the NTPF does not pay or engage third party providers, 11 hospitals responded to the review and made the NTPF aware of their use of third-party providers to deliver on NTPF funded insourcing initiatives. In all cases it was confirmed that these providers were engaged from the HSE Procurement Framework.

### Disclosures

From the hospital responses received, three (3) hospitals – Naas, St. Michael's and University Hospital Kerry (UHK), made disclosures that indicated they were operating outside of the MOU.

They did not provide Assurance of Compliance in relation to Objective 3 – ***“All staffing arrangements are in line with public pay policy and comply with HSE consolidated pay scales for core hours, overtime, and premium payments.”***

In each case the hospital disclosed that the full package of agreed funding provided by the NTPF to the hospital to pay for the insourcing initiatives (outpatient appointments) was paid to the treating consultants involved.

Under the NTPF's MOU, the package of agreed funding is the marginal cost required to deliver the additional capacity, covering all costs associated with the insourcing initiative including nursing staff, and administrative staff.

One of the three (Naas) also did not provide assurances in relation to Objective 1 – *“All insourcing activities are being carried out strictly outside of core activity and are not displacing or overlapping with services already funded under the HSE National Service Plan.”*

In summary:

- Naas General Hospital – Raised issues with compliance with Objectives 1 and 3. On disclosure Naas suspended all NTPF insourcing initiatives. As a result of this finding, HSE Internal Audit have been engaged.
- St Michael's Hospital identified a recent NTPF insourcing initiative that did not comply with NTPF Objective 3; however, this initiative ceased in May 2025.
- University Hospital Kerry (UHK) – on disclosure of non-compliance with Objective 3, UHK suspended all NTPF insourcing initiatives. No NTPF-funded insourcing is currently taking place at UHK.

The NTPF remains engaged with the relevant REOs on these issues.

## **Conclusion**

The NTPF carried out a review of all public hospitals nationally who applied for and received funding approval. Of the 38 hospitals in scope for the review, 3 disclosures have been received. The NTPF were satisfied with the responses from the remaining 35 hospitals.

The Board and Executive of the NTPF take their oversight and fiduciary responsibilities to the public taxpayer very seriously. We will take whatever actions are necessary to ensure our spend is fully protected for the benefit of public patients.

While waiting lists remain a challenge for the public hospital system, our priority for the remainder of the year is to continue to work with the Department of Health and the HSE to provide long waiting public patients access to treatment and care and keep overall waiting times as low as possible as we continue to work to achieve Sláintecare targets.

**END.**