

MID WALES REGIONAL COMMITTEE

The Cost of Providing Rural Health Care

Background

It was agreed that the Mid Wales Regional Committee would consider the argument that it cost more to deliver health care in rural areas than in urban areas. It invited a number of bodies to submit written views, with supporting evidence, and also invited Dyfed-Powys Health Authority to present its views at this meeting.

At Annex A is a copy of the letter inviting written submissions and a list of those organisations that were invited indicating which responded.

Dr William Ritchie of Dyfed-Powys Health Authority will give the presentation on behalf of the Authority.

Remit

To examine the argument that the cost of providing health services in rural areas is greater than that in urban areas and to see whether there is any quantifiable evidence to support the assertion.

Summary of Issues Raised

- The cost of community based services, such as district nursing, are higher due to excess travel time
- Extra skills are required to deliver a comprehensive and flexible service
- Greater dependence on smaller hospitals
- Problems of diseconomy of scales e.g. rural areas have a higher number of small hospitals but do not have the bed throughput so running costs are higher
- Impact on access to local services on rural deprivation and the higher cost of patient transportation both to the ambulance service and to individual patients
- Poor public transport network and road network
- Demographic factors e.g. high proportion of elderly people who often retire to the area; absence of family support networks; low availability of nursing home or residential care provision.

- Funding formulas of other public sector bodies take significant account of rurality in increasing resources to rural areas.

Proposals

Increased use of telemedicine but there are associated start up costs which inhibit its development

A lack of robust quantitative information about rurality and health care - specific research is required

A review of the resource allocation formula used by the National Assembly should be undertaken

Evidence and References

A number of reports and articles were referred to by the respondents as evidence to support their arguments, the key ones referred to by a number of respondents are listed below.

Scottish Executive	Fair Shares for All	
University of York	Concentration and Choice in the Provision of Hospital Services	1997
White and Flowerdew	Country Strife	Health Service Journal. 12/8/99
Audit Commission	A Life in the fast Lane	
Rural Development Commission, Research Findings	Fair Shares for rural areas? An Assessment of public resource allocation systems.	Rural Research Series. Rural Research Report 22. 1996