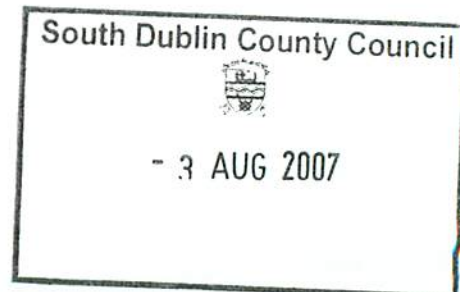




31st July 2007

Ms Ursula Donnellan
A/Administrative Officer
South Dublin County Council
Corporate Services
County Hall
Tallaght
Dublin 24



Dear Ms Donnellan

The Minister for Health and Children, Mary Harney, T.D., has asked me to thank you for your recent letter concerning the co location initiative.

Private patients are currently receiving priority access to public hospitals at the expense of public patients. 2,500 beds in public hospitals are ring-fenced for the exclusive use of private patients. This is not equitable or fair.

The State pays for the nurses and all the other staff who look after the patients in those beds. The State provides the diagnostic equipment that they need. But these beds are off limits to public patients unless they are the private patients of a consultant.

The co location initiative will ensure that 1,000 of the 2,500 beds in question can be used by public patients. The co location initiative was founded on the principle that all patients should continue to have access to public hospitals.

Access to public beds should be based on medical need only. Possession of private health insurance should not influence how quickly patients gain admittance to public hospitals or the treatment patients receive when in a public hospital.

The development of private hospitals on the sites of public hospitals is all about improving access for public patients to beds in public hospitals which are currently used by private patients.

When the co located hospital has been built and opened every public bed in the public hospital will be accessed on the basis of medical need and on no other basis. There will be no preferential treatment in the public hospital system for insured patients or self-payers.

The land on which the co located hospitals will be built will be leased at above the market value. What is being provided at each site is what the public hospital needs. The hospitals will be entering into a contractual arrangement with the new co located hospital to provide what the public hospital needs.

Cuirfear fáilte roimh chomhfhreagras i nGaeilge

The co located hospital will be capable of treating all of the private patients that are currently in the public hospitals. The new private co located hospitals will be required to provide services to the HSE at discounted prices under the rules of the capital allowance scheme.

I trust that this clarifies the matter for you.

Yours sincerely

A handwritten signature in black ink, appearing to read "Paul Flanagan". The signature is written in a cursive style with a large initial "P".

Paul Flanagan
Private Secretary