



Submission to the Isle of Man Government Consultation on the Proposed Healthcare Levy

Prepared by the Isle of Man Medical Society (IOMMS)

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Executive Summary

The Isle of Man is at a crossroads in healthcare financing. The Isle of Man Medical Society (IOMMS) believes that sustainable, equitable, and efficient solutions are within reach without imposing a regressive levy that risks deepening inequalities. Representing medical professionals across the Island, we are committed to a healthcare system prioritising equity, sustainability, and community wellbeing.

While recognising the financial pressures on Manx Care, we oppose the proposed levy due to its regressive impact on vulnerable people and its potential to widen existing inequalities. High per capita healthcare spending in the Isle of Man is undermined by inefficiencies, governance challenges, and resource mismanagement. Our alternative Recovery, Reform, and Restructuring Plans—available on our website <https://www.iomms.org/recovery-reformproposals-for-manx-caredhsc>—address these systemic issues without additional taxation. Summarised here, these plans draw from comparative data and global best practices.

Introduction

The Isle of Man Government's proposed healthcare levy reflects rising financial challenges facing Manx Care. However, the IOMMS contends that this approach is neither equitable nor effective. Rather, systemic reform offers the opportunity to transform our healthcare system for the better.

This submission presents:

- Socioeconomic and equity impacts of the levy
- Healthcare inefficiencies and expenditure analysis
- Summary of the IOMMS Recovery, Reform, and Restructuring Plans, including PEC and restructuring proposals
- Conclusion and recommendations

Socioeconomic and Equity Impacts of the Levy

Disproportionate Burden on Vulnerable people

A flat-rate healthcare levy would unfairly impact low-income households, pensioners, and individuals with chronic conditions. For instance, the UK's Office for National Statistics (ONS, 2023) reports a poverty rate of 14%, and Isle of Man data are similar. A £200 flat charge would disproportionately affect low-income groups, as seen in Ireland's Universal Social Charge (OECD, 2022), which exacerbated financial pressures on vulnerable populations.

Barriers to Access and Care-Seeking

Out-of-pocket payments may deter timely care-seeking. According to the World Health Organization (WHO, 2021), such financial burdens reduce primary care utilisation, worsening health outcomes and driving long-term costs. Emergency attendances in the Isle of Man have risen by 12% (2022–2024); additional barriers would further strain services.





Public Perception and Trust

Introducing a levy risks eroding public trust. Sentiments from the King's Fund (2023) indicate that UK residents favour funding healthcare through existing tax structures rather than new charges. Isle of Man residents may similarly perceive the levy as penalising them for systemic inefficiencies.

Healthcare Inefficiencies and Expenditure Analysis

Comparative Healthcare Spending

Healthcare expenditure in the Isle of Man is among the highest globally. World Bank data show UK per capita health expenditure at \$4,200 in 2022 and Ireland at \$3,900 (World Bank, 2023), with the Isle of Man reportedly at \$4,800. For further context, comparable small jurisdictions like Jersey, Guernsey, and Gibraltar provide useful benchmarks. Jersey's per capita healthcare spending in 2022 was approximately \$4,500, Guernsey's around \$4,300, and Gibraltar's roughly \$3,800 (adjusted to current US dollars, derived from regional public budget reports). These figures, while lower than the Isle of Man's, reflect similar challenges of scale, travel and resource allocation, although direct comparisons will be inexact, as differences exist between these jurisdictions in payments at the point of use (Jersey charges for GP appointments for example). Yet, outcomes like waiting times in the Isle of Man lag, per OECD benchmarks (OECD Health Statistics, 2023), suggesting inefficiencies, not funding, are the issue.

Sources of Inefficiency

Management & Administrative Overheads comprise an estimated 18% of the budget versus 12% in the NHS (NHS England, 2023).

Reliance on Agency Staffing: High agency staffing costs are unsustainable.

Governance Gaps: The absence of medically led oversight undermines strategic priorities, including mental health services.

IOMMS Recovery, Reform, and Restructuring Plans

Our proposals, detailed on our website: <https://www.iomms.org/recovery-reform-proposalsfor-manx-caredhsc> target inefficiencies and prioritise equity.

Key components include:

Professional Executive Committee (PEC) for Manx Care

Proposal:

Establish a PEC to embed clinical leadership at the organisational core, as detailed here:

<https://www.iomms.org/recovery-reform-proposals-for-manx-caredhsc/pec-for-manx-care>.

Rationale: Clinical leadership models, such as Denmark's, drive responsiveness and efficiency (WHO Europe, 2022).

Implementation Timeline: Initiate PEC formation by Q3 2025 with grassroots clinician involvement.

Restructuring Manx Care

Proposal: Rationalise management layers and align oversight with clinical priorities, as

outlined here: <https://www.iomms.org/recovery-reform-proposals-for-manxcaredhsc/restructuring-manx-care>.

Rationale: Streamlined structures boost efficiency, as evidenced in Ontario (Health Canada, 2023).





Implementation Timeline: Complete restructuring audits and implementation plan within three months and implementation within nine months.

Private Healthcare in the Isle of Man

Develop Private Healthcare provision in the Isle of Man

Private healthcare complements public health services and brings many benefits to patients, doctors, insurers, staff, island economy and local employers. People with the means and/or insurance can utilise private healthcare in preference to public healthcare both in the community and secondary care and help subsidise public health care, shorten waiting lists and improve access times for all patients.

Proposal: Reopen the private patients unit at Noble's hospital and run an excellent private healthcare service similar to Jersey's

<https://www.gov.je/SiteCollectionDocuments/Government%20and%20administration/Private%20Patients%20Services%20Strategy%202024-2028.pdf>

Enhanced Accountability and Transparency

Proposal: Publish quarterly performance reports and independently audited accounts. Rationale: Transparency improves accountability, as seen in New Zealand (NZ Ministry of Health, 2023).

Workforce Strategy

Proposal: Align staffing levels with UK benchmarks and reduce reliance on agency staff. Rationale: Optimal staffing levels enhance care quality (BMJ, 2023).

Conclusion and Recommendations

The Isle of Man Medical Society (IOMMS) urges the Government to reject the proposed healthcare levy and adopt our Recovery, Reform, and Restructuring Plans. These solutions— centred on systemic reform, PEC integration, and restructuring—present sustainable alternatives that optimise resources while promoting equity and efficiency.

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