



Administrator
National Health
Funding Pool

National Health Reform
Public Hospital Funding

National Report
July 2013

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National Health Reform public hospital funding National report – July 2013

This report is issued by the Administrator of the National Health Funding Pool under section 240 of the *National Health Reform Act 2011*.

This report is prepared on a cash basis. It shows monthly and year-to-date (YTD) National Health Reform (NHR) funding and payments at an aggregated national level for July 2013.

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Local hospital networks and National Health Reform

A local hospital network (LHN) is an organisation that provides public hospital services in accordance with the Agreement. An LHN can contain one or more hospitals, and is usually defined as a business group, geographical area or community. Every Australian public hospital is part of an LHN.

Note: The term 'local hospital network' is a national term. Some states and territories use their own local terminology to describe these networks, such as local health districts, health organisations, and hospital and health services.

Under the Agreement, LHNs receive funding in 2013-14 for the following public hospital services:

- All admitted and non-admitted services
- All emergency department services provided by a recognised emergency department
- Other outpatient, mental health, sub-acute services and other services that could reasonably be considered a public hospital service.

Note: LHNs also receive funding from other sources, including the Commonwealth, states and territories, and third parties for the provision of other specific functions and services outside the scope of the Agreement, for example dental services, primary care, home and community care, residential aged care and pharmaceuticals. For further information on total funding to a particular LHN, contact the Department of Health in the relevant state or territory to view the service agreement for that LHN.

Note: Amounts shown in the monthly reports do not include funding received by Victoria from New South Wales as contributions for Albury Wodonga Health.

Reference information

The financial information outlined in the following report is categorised as:

- *NHR funding* – when the Commonwealth or state or territory government pays NHR funding into a state pool account or state managed fund.
- *NHR payments* – when NHR funding that has been deposited into a state pool account or state managed fund is paid out of the state pool account by the Administrator, or is paid out of the state managed fund by the state or territory.

For the basis of state and territory NHR payments, see *Basis for National Health Reform payments* explanation in the relevant state or territory report for July 2013, see [State or territory reports](#).

For the basis of the Commonwealth contribution to NHR funding, see [Basis of Commonwealth NHR funding, 2013-14](#).

NHR funding and payments

Table 1 – NHR funding and payments for each state and territory – July 2013

This table shows NHR funding and payments for each state and territory for July 2013.

State/territory	NHR funding (\$)	NHR payments (\$)	NHR funding YTD (\$)	NHR payments YTD (\$)
NSW	1,111,825,985	1,108,066,728	1,111,825,985	1,108,066,728
VIC	1,256,062,263	1,256,062,263	1,256,062,263	1,256,062,263
QLD	641,404,307	625,214,892	641,404,307	625,214,892
WA	430,270,106	430,270,106	430,270,106	430,270,106
SA	284,606,000	249,263,592	284,606,000	249,263,592
TAS	75,420,018	75,419,239	75,420,018	75,419,239
ACT	85,478,102	85,478,102	85,478,102	85,478,102
NT	57,702,158	57,700,127	57,702,158	57,700,127
Total	3,942,768,940	3,887,475,049	3,942,768,940	3,887,475,049

Differences between NHR funding and NHR payments for a state or territory can occur for several reasons, such as having funds remaining in its state pool account at the end of the month, drawing down on available funds from previous months, or having an overdraft in its state pool account at the end of the month.

NHR funding and payments shown in this table include GST where applicable.

Commonwealth and state or territory NHR funding components are detailed in the following tables.

For more information, see [National Health Reform funding and payments](#).

NHR funding by funding source

Table 2a – NHR funding by funding source for each state and territory – July 2013

This table shows NHR funding by the source of funds for each state and territory for July 2013.

Sources of NHR funding are separated into Commonwealth funding, Own state or territory funding (where a state or territory provides its own funding) and Funding from other state or territory (where other states or territories contribute cross-border funding towards the cost of their residents being treated in the provider state or territory).

State/territory	NHR funding by source			
	Commonwealth NHR funding (\$)	Own state/territory NHR funding (\$)	NHR funding from other state/territory (\$)	Total NHR funding (\$)
NSW	368,234,979	743,591,006	0	1,111,825,985
VIC	292,563,356	963,498,907	0	1,256,062,263
QLD	237,230,877	404,173,430	0	641,404,307
WA	127,928,106	302,342,000	0	430,270,106
SA	85,419,253	199,186,747	0	284,606,000
TAS	25,338,510	50,081,508	0	75,420,018
ACT	22,013,102	63,465,000	0	85,478,102
NT	11,273,044	46,429,114	0	57,702,158
Total	1,170,001,227	2,772,767,712	0	3,942,768,940

See explanatory notes following table 2b.

Table 2b – NHR funding by funding source for each state and territory YTD – July 2013

Following on from table 2a, this table shows year-to-date (YTD) NHR funding by the source of funds for each state and territory as at July 2013.

State/territory	NHR funding by source			
	Commonwealth NHR funding YTD (\$)	Own state/territory NHR funding YTD (\$)	NHR funding from other state/territory YTD (\$)	Total NHR funding YTD (\$)
NSW	368,234,979	743,591,006	0	1,111,825,985
VIC	292,563,356	963,498,907	0	1,256,062,263
QLD	237,230,877	404,173,430	0	641,404,307
WA	127,928,106	302,342,000	0	430,270,106
SA	85,419,253	199,186,747	0	284,606,000
TAS	25,338,510	50,081,508	0	75,420,018
ACT	22,013,102	63,465,000	0	85,478,102
NT	11,273,044	46,429,114	0	57,702,158
Total	1,170,001,227	2,772,767,712	0	3,942,768,940

NHR funding shown in these tables includes GST where applicable.

For more information, see [National Health Reform funding and payments](#).

NHR funding by funding type

Table 3a – NHR funding by funding type for each state and territory – July 2013

This table shows NHR funding for each state and territory by funding type and source for July 2013. NHR funding can be activity-based funding (ABF), block funding or other funding, such as public health funding, cross-border, interest or overdeposits.

Sources of NHR funding are separated into Commonwealth funding, Own state or territory funding (where a state or territory provides its own funding) and Funding from other state or territory (where other states or territories contribute cross-border funding towards the cost of their residents being treated in the provider state or territory).

State/ territory	NHR funding type	Commonwealth NHR funding (\$)	Own state/territory NHR funding (\$)	NHR funding from other state/territory (\$)	Total NHR funding (\$)
NSW	ABF	309,479,612	497,126,797	0	806,606,408
	Block	50,069,848	246,464,209	0	296,534,057
	Other	8,685,520	0	0	8,685,520
	Total	368,234,979	743,591,006	0	1,111,825,985
VIC	ABF	255,589,271	901,938,379	0	1,157,527,650
	Block	30,222,372	61,560,528	0	91,782,900
	Other	6,751,713	0	0	6,751,713
	Total	292,563,356	963,498,907	0	1,256,062,263
QLD	ABF	200,621,618	355,778,385	0	556,400,002
	Block	31,126,591	48,395,046	0	79,521,637
	Other	5,482,668	0	0	5,482,668
	Total	237,230,877	404,173,430	0	641,404,307
WA	ABF	103,194,446	108,250,000	0	211,444,446
	Block	21,761,547	194,092,000	0	215,853,547
	Other	2,972,113	0	0	2,972,113
	Total	127,928,106	302,342,000	0	430,270,106
SA	ABF	71,335,830	180,189,494	0	251,525,324
	Block	12,119,830	18,997,253	0	31,117,084
	Other	1,963,592	0	0	1,963,592
	Total	85,419,253	199,186,747	0	284,606,000
TAS	ABF	22,504,054	23,898,457	0	46,402,511
	Block	2,233,202	26,183,051	0	28,416,253
	Other	601,254	0	0	601,254
	Total	25,338,510	50,081,508	0	75,420,018
ACT	ABF	20,177,047	58,452,000	0	78,629,047
	Block	1,384,793	5,013,000	0	6,397,793
	Other	451,262	0	0	451,262
	Total	22,013,102	63,465,000	0	85,478,102
NT	ABF	9,777,408	22,654,531	0	32,431,939
	Block	1,216,019	23,774,583	0	24,990,602
	Other	279,617	0	0	279,617
	Total	11,273,044	46,429,114	0	57,702,158

State/ territory	NHR funding type	Commonwealth NHR funding	Own state/territory NHR funding	NHR funding from other state/territory	Total NHR funding
		(\$)	(\$)	(\$)	(\$)
Total ABF funding		992,679,286	2,148,288,042	0	3,140,967,328
Total Block funding		150,134,203	624,479,670	0	774,613,872
Total Other funding		27,187,739	0	0	27,187,739
Grand Total		1,170,001,227	2,772,767,712	0	3,942,768,940

See explanatory notes following table 3b.

Table 3b – NHR funding by funding type for each state and territory YTD – July 2013

Following on from table 3a, this table shows year-to-date (YTD) NHR funding for each state and territory by funding type and source for July 2013. NHR funding can be activity-based funding (ABF), block funding or other, such as public health funding, cross-border, interest or overdeposits.

State/ territory	NHR funding type	Commonwealth NHR funding YTD (\$)	Own state/territory NHR funding YTD (\$)	NHR funding from other state/territory YTD (\$)	Total NHR funding YTD (\$)
NSW	ABF	309,479,612	497,126,797	0	806,606,408
	Block	50,069,848	246,464,209	0	296,534,057
	Other	8,685,520	0	0	8,685,520
	Total	368,234,979	743,591,006	0	1,111,825,985
VIC	ABF	255,589,271	901,938,379	0	1,157,527,650
	Block	30,222,372	61,560,528	0	91,782,900
	Other	6,751,713	0	0	6,751,713
	Total	292,563,356	963,498,907	0	1,256,062,263
QLD	ABF	200,621,618	355,778,385	0	556,400,002
	Block	31,126,591	48,395,046	0	79,521,637
	Other	5,482,668	0	0	5,482,668
	Total	237,230,877	404,173,430	0	641,404,307
WA	ABF	103,194,446	108,250,000	0	211,444,446
	Block	21,761,547	194,092,000	0	215,853,547
	Other	2,972,113	0	0	2,972,113
	Total	127,928,106	302,342,000	0	430,270,106
SA	ABF	71,335,830	180,189,494	0	251,525,324
	Block	12,119,830	18,997,253	0	31,117,084
	Other	1,963,592	0	0	1,963,592
	Total	85,419,253	199,186,747	0	284,606,000
TAS	ABF	22,504,054	23,898,457	0	46,402,511
	Block	2,233,202	26,183,051	0	28,416,253
	Other	601,254	0	0	601,254
	Total	25,338,510	50,081,508	0	75,420,018
ACT	ABF	20,177,047	58,452,000	0	78,629,047
	Block	1,384,793	5,013,000	0	6,397,793
	Other	451,262	0	0	451,262
	Total	22,013,102	63,465,000	0	85,478,102
NT	ABF	9,777,408	22,654,531	0	32,431,939
	Block	1,216,019	23,774,583	0	24,990,602
	Other	279,617	0	0	279,617
	Total	11,273,044	46,429,114	0	57,702,158
Total ABF funding		992,679,286	2,148,288,042	0	3,140,967,328
Total Block funding		150,134,203	624,479,670	0	774,613,872
Total Other funding		27,187,739	0	0	27,187,739
Grand Total		1,170,001,227	2,772,767,712	0	3,942,768,940

ABF funding represents Acute admitted public, Acute admitted private, Non-admitted, Emergency department, Sub-acute, and Admitted mental health service categories, which are funded through the National Health Funding Pool and subsequently paid to local hospital networks.

Block funding represents Non-admitted mental health, Small rural hospitals, Teaching, training and research, and Other non-admitted categories, which are funded through state managed funds and subsequently paid to local hospital networks.

Other funding represents other funding sources which are transacted through the National Health Funding Pool, such as public health funding, cross-border, interest or overdeposits, and subsequently paid to state or territory health departments (with the exception of cross-border funding which can be paid to state or territory health departments or to local hospital networks).

NHR funding shown in these tables includes GST where applicable.

For more information, see [National Health Reform funding and payments](#).

Estimated monthly, YTD and annual activity

States and territories provide service volume *estimates* at the start of each financial year, and if required, can continue to refine these estimates during the course of the year. These *estimates* form the basis of monthly reporting of service volumes until *actual* service numbers become available. These estimates are expressed as National Weighted Activity Units (NWAU).

States and territories provide estimated annual NWAU to the Administrator as a basis for determining the Commonwealth activity-based funding. Current month NWAU estimates accumulate through the year-to-date NWAU, to be equal to the annual NWAU at the end of the financial year.

States and territories may also provide activity information relating to the delivery of other public hospital functions funded.

Table 4 – Estimated monthly, YTD and annual NWAU by each state and territory – July 2013

This table shows estimated hospital activity for each state and territory for activity-based funding services expressed as NWAU for the current month, year-to-date (YTD) and total estimated annual NWAU.

State/territory	Estimated NWAU delivered/funded in current month	Estimated NWAU delivered/funded YTD	Estimated annual NWAU 2013-14
NSW	177,429	177,429	2,151,933
VIC	137,919	137,919	1,670,282
QLD	104,199	104,199	1,278,262
WA	56,084	56,084	674,293
SA	43,047	43,047	538,164
TAS	9,712	9,712	114,078
ACT	9,765	9,765	163,911
NT	10,325	10,325	123,900
Total	548,479	548,479	6,714,823

An NWAU is a measure of health service activity expressed as a common unit. It provides a way of comparing and valuing each public hospital service, whether they are admissions, emergency department presentations or outpatient episodes, weighted for clinical complexity. The average hospital service is worth one NWAU – the most intensive and expensive activities are worth multiple NWAU, the simplest and least expensive are worth fractions of an NWAU.

Monthly NHR payments relate to the cash needs of public hospitals and do not necessarily reflect the volume of services delivered in the month.

For more information on the NWAU calculation, see [Calculation of NWAU](#).