

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Budget Estimates 2012-2013, 30 & 31 May and 1 June 2012

Question: E12-309

OUTCOME 4: Aged Care and Population Ageing

Topic: Aged Care Funding Instrument – current average subsidy

Type of Question: Written Question on Notice

Number of pages: 1

Senator: Senator Fierravanti-Wells

What is the current average subsidy it pays for the care of older Australians in each of the following: Hospital, Hospice and Residential Aged Care?

Answer:

In March 2012 (the latest period for which we have accurate claim data), the average daily basic subsidy for all residents in residential aged care was \$120.21. This average includes residents that may be on hospital leave.

Public hospital services are not funded on a per day subsidy. Under the National Health Reform Agreement, the Commonwealth contribution for public hospital services is paid on an activity basis against a National Efficient Price (NEP). The Commonwealth contribution for each hospital service will vary based on a range of factors such as the type of service provided, the length of stay of the patient, the remoteness area of the patients place of residence and the proportion of the NEP for the relevant state.

In calculating this payment amount, the NEP is based on the National Hospital Cost Data Collection which takes into account a range of costs including doctors' and nurses' salaries, surgical costs, administration, and costs for services such as imaging, pathology and allied health.

The Australian Government does not provide any direct ongoing funding for hospices. Under the National Partnership Agreement for subacute care reform, states and territories have the flexibility to choose the mix of service types and regional distribution of beds that will best meet their needs.