

**Senate Community Affairs Committee**

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

**Budget Estimates 2017 - 2018, 29 & 30 May 2017**

**Ref No:** SQ17-000960

**OUTCOME:** Health Access and Support Services

**Topic:** Independent Hospital Pricing Authority

**Type of Question:** Written Question on Notice

**Senator:** Sterling Griff

**Questions:**

- a) Why does the Independent Hospital Pricing Authority not collect any data from private day surgery and day hospitals?
- b) What proportion of hospital services are provided by day hospitals and day surgery?

**Answer:**

- a) The Independent Hospital Pricing Authority's (IHPA) core functions under the *National Health Reform Act 2011* relate to the determination of the National Efficient Price for public hospital services. As part of this function, IHPA undertakes the National Hospital Cost Data Collection (NHCDC) for the public and private sector. The public sector data is the primary source of data for determining the National Efficient Price, whilst the private sector data is used to produce a cost report and provides benchmarking data to private hospitals.

The private sector NHCDC is a voluntary collection of costs from private hospitals and currently includes those private hospitals which provide overnight admissions.

There have been a number of attempts to include day hospitals in data collection in the past, most recently for the 2013-14 financial year. After extensive consultation with the day surgery sector (and strong support from Day Hospital's Australia, the industry peak body) 16 day hospitals elected to participate in data collection. Due to the low participation rate, IHPA did not publish the results of this collection.

Day hospitals cited limited benefit from participation and the overhead cost of data provision to IHPA as the two major barriers to participation.

- b) Table 2.1 of the *Admitted patient care 2015–16: Australian hospital statistics*, published by the Australian Institute of Health and Welfare reports that “private free-standing day hospital facilities” provided 959,743 episodes of care in 2015-16, which is 9.1% of the 10,599,768 separations in all hospitals (public and private) in that period.