

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
HEALTH AND AGEING PORTFOLIO

Supplementary Budget Estimates 2011-2012, 19 October 2011

Question: E11-419

OUTCOME 0: Whole of Portfolio

Topic: HOSPITAL FUNDING

Written Question on Notice

Senator Fierravanti-Wells asked:

What conditions must the States meet to receive the \$16.4 billion in top-up payments?

Answer:

Under the National Health Reform Agreement, the Commonwealth has guaranteed that the States will receive \$16.4 billion more under the Agreement in the period 2014-15 to 2019-20 than they would have received under the National Healthcare Agreement Specific Purpose Payment.

The estimated additional funding is based on a continuation of past trends in hospital costs, and on the Commonwealth paying 45 per cent of efficient growth over the three years from 2014-15 to 2016-17, and 50 per cent of efficient growth thereafter, through a mixture of activity based funding and block grants.

If Commonwealth funding paid through activity based funding and block grants falls short of the guaranteed additional \$16.4 billion, the difference will be paid in the form of top-up payments.