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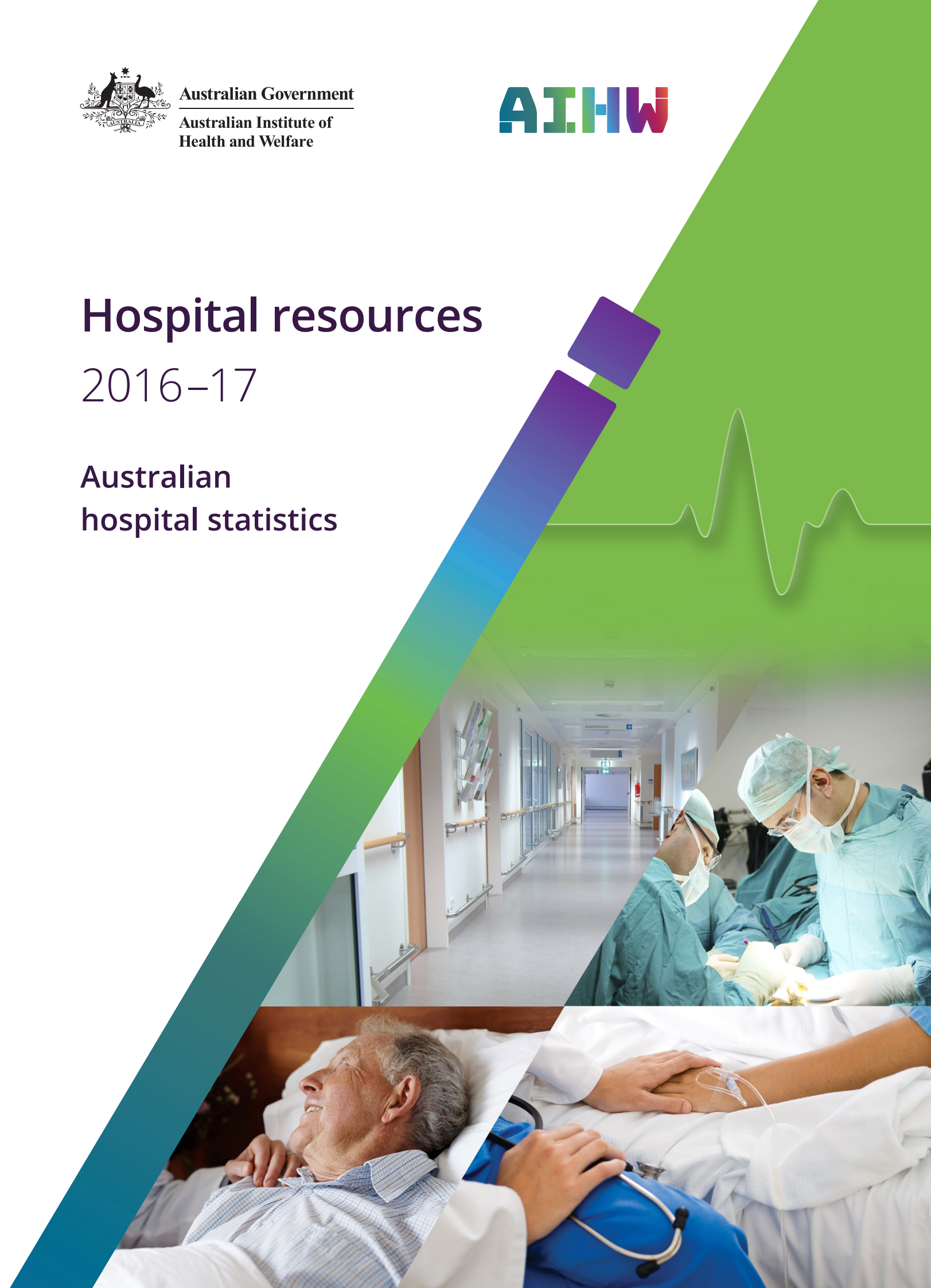
Hospital resources

2016–17

Australian hospital statistics



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Hospital resources 2016–17

Australian hospital statistics

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Contents

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- Karen Chudleigh (Australian Capital Territory Health Directorate)
- Emily Hurley (Department of Health)
- Amanda Lanagan (Northern Territory Department of Health)
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Abbreviations

ABF	activity-based funding
ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory
AIHW	Australian Institute of Health and Welfare
AR-DRG	Australian Refined Diagnosis Related Group
DSS	data set specification
FTE	full-time equivalent
HED	Health Expenditure Database
ICD-10-AM	International statistical classification of diseases and related health problems, 10th revision, Australian modification
IHPA	Independent Hospitals Pricing Authority
LHN	Local hospital network
MDC	Major Diagnostic Category
METeOR	Metadata Online Registry
NBEDS	National Best Endeavours Data Set
NESWTDC	National Elective Surgery Waiting Times Data Collection
NHDD	National health data dictionary
NHMD	National Hospital Morbidity Database
NHRA	National Health Reform Agreement
NMDS	National minimum data set
NNAPEDCD	National Non-admitted Patient Emergency Care Database
NNAPC(agg)D	National Non-admitted Patient Care Database
NPHED	National Public Hospital Establishments Database
NSQHS	National Safety and Quality Health Service
NSW	New South Wales
NT	Northern Territory
OECD	Organisation for Economic Co-operation and Development
PHE	Public hospital establishment
PHEC	Private Health Establishments Collection
Qld	Queensland
SA	South Australia
SRG	Service Related Group
Tas	Tasmania
Vic	Victoria
WA	Western Australia

Symbols

. .	not applicable
n.a.	not available
n.e.c	not elsewhere classified
n.p.	not publishable because of small numbers, confidentiality or other concerns about the quality of the data

Summary

In 2016–17, there were 695 public hospitals in Australia, with 62,000 available beds. More than two-thirds of public hospitals (68%) had fewer than 50 beds, while the 31 principal referral hospitals (mostly located in metropolitan areas) had an average of 660 beds.

Between 2012–13 and 2016–17, the number of available beds in public hospitals rose by 1.5% on average each year, while the number of beds per 1,000 population remained relatively stable at around 2.5. The proportion of public hospital beds that were only for same-day care increased during this period, from 12.3% in 2012–13 to 13.1% in 2016–17.

There were 630 private hospitals (including day hospital facilities) in 2015–16 with 33,100 licensed beds. Between 2011–12 and 2015–16, the number of licensed beds in private hospitals rose by 3.3% on average each year, and the number of licensed beds per 1,000 population increased from 1.3 to 1.4.

What specialised service units were provided by public hospitals?

Public hospitals provided a range of specialised units that deliver specific types of services for admitted and non-admitted patients.

In 2016–17, the most common specialised services were *Domiciliary care* (home-based care, provided by 373 hospitals) and *Nursing home care* (287 hospitals). There were 81 *Intensive care units* (level III and above) and 29 *Neonatal intensive care units* (level III and above).

How much was spent on public hospital services?

In 2016–17, total recurrent expenditure on public hospital services was $67 billion (including depreciation). After adjusting for inflation and for missing data, national recurrent expenditure on public hospital services increased by 3.2% between 2015–16 and 2016–17.

About 66% of total recurrent expenditure (excluding depreciation) was for salaries, wages and superannuation. Medical, surgical and drug supplies accounted for 13% of recurrent expenditure and administrative expenses accounted for a further 5%.

It is estimated that about 54% of recurrent expenditure was spent on admitted patient care, 20% on outpatient care, 9% on emergency department services and 2% on teaching, training and research.

How were hospitals funded?

In 2015–16, public hospitals were mainly funded by the Australian (39%) and state or territory (53%) governments, and about 8% of funding was from non-government sources. In contrast, about 68% of private hospital funding came from non-government sources.

Between 2011–12 and 2015–16, funding for public hospitals rose by 3.2% on average each year (after adjusting for inflation), from $46 billion to $51 billion. Funding for private hospitals rose by 6.0% on average each year, from $13 billion to $15 billion.

How many people were employed in public hospitals?

Nationally, 365,000 full-time equivalent staff were reported as employed in providing public hospital services in 2016–17. After adjusting for missing data, it is estimated that there were about 369,000 full-time equivalent staff. About 41% of staff were *Nurses* (151,000) and 12% were *Salaried medical officers* (44,000). Between 2012–13 and 2016–17, average salaries for nurses and salaried medical officers in public hospitals increased by 2.2% and 2.6% on average each year, respectively.

1 Introduction

Hospital resources 2016–17: Australian hospital statistics presents information about public and private hospitals in Australia. It continues the Australian Institute of Health and Welfare's (AIHW) series of *Australian hospital statistics* reports, which describe the characteristics, and activity of Australia's hospitals.

This report presents an overview of public hospitals in 2016–17, covering the number and types of hospitals and availability of beds. It also describes public hospitals in terms of recurrent expenditure, the number of full-time equivalent staff employed and the types of specialised services provided. Comparative information for the previous 4 reporting periods is included.

The report also presents selected information for private hospitals for 2015–16 sourced from the Australian Bureau of Statistics' (ABS) *Private hospitals Australia* report (ABS 2017). Information on private hospital establishments for 2016–17 was not available at the time of publication. Data for the 2015–16 period and comparative information for the previous 4 reporting periods are included.

Information on other aspects of Australia's hospitals for 2016–17 has been published in:

- *Admitted patient care 2016–17: Australian hospital statistics* (AIHW 2018a)
- *Elective surgery waiting times 2016–17: Australian hospital statistics* (AIHW 2017a)
- *Emergency department care 2016–17: Australian hospital statistics* (AIHW 2017b)
- Staphylococcus aureus *bacteraemia in Australian hospitals 2016–17: Australian hospital statistics* (AIHW 2017d).

Two further reports on hospitals data and updates to the *MyHospitals* website accompany this report:

- *Non-admitted patient care 2016–17: Australian hospital statistics* (AIHW 2018c)
- *Australia's hospitals 2016–17, at a glance* (AIHW 2018b), a shorter companion report that presents key findings from the Australian hospital statistics reports in an accessible format
- hospital profile information at <www.myhospitals.gov.au>.

The AIHW also reports information on hospital funding and expenditure in its *Health expenditure Australia* series (AIHW 2017c, and earlier reports).

1.1 What's in this report?

Structure of this report

This introduction provides contextual information on the data used in this report, along with descriptions of the key terms used. It also addresses questions about the data sources for this report, including:

- What are the limitations of the data?—providing caveats that should be considered when interpreting the data presented.
- What methods were used?—outlining issues such as inclusions and exclusions of establishments and calculation methods, with references to more detailed information in the technical appendix (Appendix B).

Chapters 2 to 5 contain short, self-contained sections on specific topics within the broad chapter topic. The data presented inform, where possible, on the following themes:

- How have resources changed over time?
- How many resources were there in 2016–17?
- Where do I go for more information?

The broad topics covered in chapters 2 to 5 are:

- Chapter 2—How many hospitals are there in Australia?—presents information on the overall numbers of hospitals and available beds, for both public and private hospitals.
- Chapter 3—How diverse were public hospitals?—presents information on the different types of public hospitals and the range of services provided by public hospitals.
- Chapter 4—Who funded hospitals and how much did hospitals spend?—presents information on funding and expenditure, for both public and private hospitals.
- Chapter 5—How many people were employed?—presents information on the numbers and types of hospital staff who worked in public and private hospitals.

The appendixes provide additional technical information:

- Appendix A—provides summary information on the National Public Hospital Establishments Database (NPHED)—the source of public hospital data used in this report. It includes issues affecting the quality and comparability of the data.
- Appendix B—includes notes on definitions, the presentation of data, the population estimates used to calculate population rates, and analysis methods.
- Appendix C—presents information on the public hospital peer group classification used in this report.
- Appendix D—presents information on specialised admitted patient clinical units using the Service Related Group classification.
- Appendix E—presents summary information on public hospital accreditation.

Terms relevant to hospital resources data are summarised in Box 1.1. The Glossary provides definitions for many of the terms commonly used in this report.

Box 1.1: Summary of terms relating to hospital resources

Beds

Public hospital bed numbers and private hospital bed numbers presented in this report are based on different definitions. Public hospital bed numbers are for average available beds—the average number of beds immediately available for use (with staffing). Private hospital bed numbers represent the number of licensed or registered beds. See Chapter 2 for more information.

Full-time equivalent staff

Full-time equivalent staff are calculated using the on-the-job hours paid for (including overtime) and hours of paid leave of any type for a staff member (or contract employee) divided by the number of ordinary time hours normally paid for a full-time staff member when on the job under the relevant award or agreement for the staff member (or contract employee occupation, where applicable).

(continued)

Box 1.1 (continued): Summary of terms relating to hospital resources

Hospital expenditure

Recurrent expenditure on public hospital services presented in this report reflects recurrent expenditure on public hospital services incurred by individual hospitals, by local hospital networks (LHNs) and by state and territory health authorities (see Box 4.1).

Hospital funding

Funding presented in this report is the money provided for the overall public and private hospital systems within each jurisdiction and nationally. More information on funding and expenditure is available in Box 4.1.

Local hospital networks

Local hospital networks are defined as those entities recognised as such by the relevant state or territory health authority. They directly manage single or small groups of public hospital services and their budgets, and are directly responsible for hospital performance (METeOR identifier: 491016).

Public hospital peer groups

Public hospital peer groups categorise hospitals into broadly similar groups in terms of characteristics (for more information, see Chapter 3, Appendix C and AIHW 2015a).

Service related groups

Service related groups (SRGs) represent clinical divisions of hospital admitted patient activity. The SRG classification is mainly based on aggregations of Australian Refined Diagnosis Related Groups (AR-DRGs). See Appendix D for more information.

Specialised service unit

A specialised service unit is a facility or unit dedicated to the treatment or care of patients with particular conditions or characteristics, such as an intensive care unit.

See Appendix B and the Glossary for more information and more terms relating to hospital resources.

1.2 What data are reported?

This section presents information on the data sources used in this report.

Public hospitals

This report draws mainly on data from the NPHED to present an overview of Australia's public hospitals.

The AIHW has undertaken the collection and reporting of the data in this report under the auspices of the Australian Health Ministers' Advisory Council, through the National Health Information Agreement.

For 2016–17, the NPHED is based on data reported by state and territory health authorities for the Public Hospital Establishments' National Minimum Data Set (PHE NMDS) and the Local Hospital Network National Best Endeavours Data Set (LHN NBEDS).

Statistics on public hospitals are based on data reported for individual public hospitals (including public acute hospitals, public subacute/non-acute hospitals, public psychiatric hospitals, hospitals operated for or by the Department of Veterans' Affairs, and alcohol and drug treatment centres), for local hospital networks and for state/territory health authorities.

More information about the NPHED is in Appendix A, and in the Data Quality Statement accompanying this report, which is available at <www.aihw.gov.au/about-our-data/our-data-collections/national-hospitals-data-collection>.

Public hospital establishments National Minimum Data Set

The PHE NMDS is defined in the *National health data dictionary*, versions 16, 16.1 and 16.2 (AIHW 2012, 2015b, 2015c) and in the AIHW's Metadata Online Registry (METeOR) (METeOR identifier: 615835).

The scope of the PHE NMDS is establishment-level data for public acute and psychiatric hospitals, and alcohol and drug treatment centres. The PHE NMDS also includes public hospitals that provide subacute and non-acute care (for example, rehabilitation and palliative care hospitals).

Information based on the PHE NMDS has been reported in the *Australian hospital statistics* reports since the first report on the 1993–94 and 1994–95 collection periods.

Between 2013–14 and 2014–15, several changes were implemented in the PHE NMDS, which affect the comparability of these data over time.

The PHE NMDS includes data elements to allow the reporting of recurrent expenditure on contracted care and the number of beds available for contracted care—this information is not presented as not all states and territories reported it, and the information did not appear to be comparable among them.

Local Hospital Network National Best Endeavours Data Set

The LHN NBEDS is defined in the *National health data dictionary*, versions 16.1 and 16.2 (AIHW 2015b, 2015c) and in the AIHW's METeOR (METeOR identifier: 618892).

The scope of the LHN NBEDS is:

- local hospital networks (LHNs)
- all public hospital services that are managed by a state or territory health authority and are included in the *General list of In-scope Public Hospital Services*, which was developed under the National Health Reform Agreement (2011).

Excluded from the NBEDS scope are establishments (that is, individual hospitals) that are reported to the PHE NMDS.

The LHN NBEDS allows the collection of recurrent expenditure, revenue, admitted contracted care and staffing information whether delivered and/or managed by hospitals or other administrative units (LHNs and state/territory health authorities) using the same specifications as defined for the PHE NMDS.

The LHN NBEDS also includes data elements to allow the reporting of capital expenditure. Capital expenditure information is not presented in this report as it was not reported by all states and territories, and because the information did not appear to be comparable among jurisdictions.

Information about the quality of the data reported for the LHN NBEDS is in Appendix A.

Data reported for the public hospital administrative levels

The collection of data for the LHN NBEDS (at LHN level or at state/territory health authority level), in conjunction with the data reported for the PHE NMDS (at the individual hospital level), allows data to be reported by states and territories at the level relevant to service management and/or provision.

In sections of this report that present public hospital information on revenue, recurrent expenditure and full-time equivalent (FTE) staff, detailed information is presented for the total of all administrative levels. Summary data are presented for the three administrative levels:

- *Public hospitals*—presents information reported for individual public hospitals
- *Local hospital network*—presents information reported at the LHN level
- *State/territory health authority*—presents information reported at the state/territory health authority level.

For 2016–17, there was variation among states and territories in the administrative levels at which revenue; recurrent expenditure and staffing information were reported:

- New South Wales, Queensland and Western Australia reported revenue, recurrent expenditure and staffing information for all 3 administrative levels.
- Victoria reported revenue, recurrent expenditure and staffing information at the LHN and state health authority levels only (not at the public hospital level). LHN-level reporting in Victoria is likely to be equivalent to the combination of hospital-level and LHN-level reporting for other jurisdictions.
- South Australia's recurrent expenditure information reported at the hospital and state health authority levels includes recurrent expenditure information for the LHN level. Staffing information was reported at the hospital–level only.
- Tasmania reported recurrent expenditure and staffing information at the hospital level and at the LHN level.
- The Australian Capital Territory reported revenue, recurrent expenditure and staffing information at the hospital and LHN levels. Some information on revenue, recurrent expenditure and staffing attributable to the hospital level was included in the data reported at the LHN level.
- The Northern Territory reported all revenue, recurrent expenditure and staffing information at the hospital level. Information on staffing and expenditure attributable to the LHN level and territory health authority level was included in the data reported at the hospital level.

Table 1.1 summarises the comparability of the data reported for revenue, recurrent expenditure and staffing, by administrative level for each state and territory. For example, the data are comparable at:

- the hospital level for New South Wales, Queensland and Western Australia
- the LHN level for New South Wales and Western Australia
- the combined hospital and LHN levels for New South Wales, Victoria, Queensland and Western Australia
- at the state/territory health authority level for New South Wales, Victoria, Queensland and Western Australia
- the total of all 3 levels for all jurisdictions.

Private hospital information

Data for private hospitals and private free-standing day hospital facilities are collected by the Australian Bureau of Statistics (ABS) in the Private Health Establishments Collection (PHEC).

Information on private hospitals, including beds, expenditure and staffing was sourced from *Private Hospitals Australia 2015–16* (ABS 2017). Data for 2016–17 was not available at the time of publication of this report.

Caution should be used in comparing the data for private hospitals and public hospitals as the data definitions used between these collections differ.

Hospital funding information

In this report, data presented on the funding of hospitals are sourced from the AIHW's Health Expenditure Database (HED) (AIHW 2017c).

Financial data reported from the HED are not directly comparable with data reported for public hospital services from the NPHED. Hospital expenditure reported for the purpose of the HED collection may cover activity that is not covered by the NPHED. The HED data include trust fund expenditure, whereas the NPHED does not.

Data from the HED are not yet available for 2016–17.

1.3 What are the limitations of the data?

States and territories are primarily responsible for the quality of the data they report. However, the AIHW undertakes extensive validations on receipt of data, checking for valid values, logical consistency and historical consistency. Where possible, data in individual data sets are checked with data from other data sets. Potential errors are queried with the state/territory health authorities, and corrections and resubmissions may be made in response to these queries. Except as noted, the AIHW does not adjust data to account for possible data errors or missing or incorrect values.

Where possible, variations in reporting have been noted in the text. Comparisons between states and territories and between reporting years should be made with reference to the accompanying notes in the chapters and in the appendixes. The AIHW takes active steps to improve the consistency of these data over time. Data variations are summarised in Box 1.2.

1.4 What methods are used?

This section gives a brief description of methods. See Appendix B for more information.

Hospitals are generally counted as they were reported to the NPHED. These entities are usually 'physical hospitals' (buildings or campuses) but may encompass some outpost locations such as dialysis units. Conversely, hospitals on a single 'campus' can be reported as separate entities if for example, they are managed separately and have separate purposes, such as specialist women's services and specialist children's services.

Table 1.1: Comparability of revenue, recurrent expenditure and staffing information by administrative level, states and territories, 2016–17

What is included in the data reported at each administrative level?	NSW	Vic	Qld	WA	SA[(a)]	Tas	ACT	NT
Hospitals	Hospitals	Nil	Hospitals	Hospitals	Hospitals	Hospitals	Hospitals	Hospitals, LHNs and territory
Revenue	✓	X	✓	✓	✓	✓	✓	✓
Recurrent expenditure	✓	X	✓	✓	✓	✓	✓	✓
Staffing	✓	X	✓	✓	✓	✓	✓	✓
LHN	LHN	Hospitals and LHNs	LHN	LHN	Revenue only	LHN	Hospitals, LHNs and territory	Nil
Revenue	✓	✓	✓	✓	✓	✓	✓	X
Recurrent expenditure	✓	✓	✓	✓	X	✓	✓	X
Staffing	✓	✓	✓	✓	X	✓	✓	X
State/ territory health authority	State	State	State	State	State	Nil	Nil	Nil
Revenue	✓	✓	✓	✓	✓	X	X	X
Recurrent expenditure	✓	✓	✓	✓	✓	X	X	X
Staffing	✓	✓	✓	✓	X	X	X	X
Total	**Total for the 3 levels**	**Total for the 3 levels**	**Total for the 3 levels**	**Total for the 3 levels**	**Total for the 3 levels**	**Total for the 3 levels**	**Total for the 3 levels**	**Total for the 3 levels**

(a) For South Australia, all staffing numbers were reported at the hospital-level.

Source: NPHED.

Types of hospitals

In some sections of this report, hospitals are combined into hospital sectors, where:

- *Public hospitals* include *Public hospitals (other than psychiatric)* and *Public psychiatric hospitals*
- *Private hospitals* include *Private free-standing day hospital facilities* and *Other private hospitals* (that do not specialise in same-day care, which include private psychiatric hospitals).

Public hospitals are also presented using the AIHW's hospital peer group classification (see Appendix C, AIHW 2015a).

Changes over time

Average annual changes for public hospitals are presented between 2012–13 and 2016–17, and between 2015–16 and 2016–17, unless otherwise stated.

For private hospitals, 2016–17 data were not available at the time of publication and average annual changes are presented between 2011–12 and 2015–16, and between 2014–15 and 2015–16.

Annual change rates are not adjusted for any changes in data coverage, changes in metadata and/or re-categorisation of the hospital as public or private, except where noted in the text.

Box 1.2: Variations in the data

Variation in data on hospital resources

Although there are national standards for data on hospital resources, there are some variations in how hospital resources are defined and counted: between public and private hospitals, among the states and territories, and over time.

Changes over time

The comparability of data on hospital resources over time is affected by changes in the coverage of the NPHED, in administrative and reporting arrangements, and in the specifications of data elements.

Changes in the specification of the PHE NMDS between 2013–14 and 2014–15, and the implementation of the LHN DSS from 2014–15 (and the LHN NBEDS in 2016–17) mean that for 2012–13 to 2013–14 data are not available for:

- recurrent expenditure on different types of care, such as admitted patient care, non-admitted patient care, emergency care services and teaching, training and research
- the type of salaried medical officers—whether a Specialised salaried medical officer or Other salaried medical officer
- the non-salary recurrent expenditure categories for Administrative expenses—insurance, Administrative expenses—other, Depreciation—building, Depreciation—other, Lease costs and Other on-costs
- sources of funding (revenue), including appropriation from government sources.

(continued)

Box 1.2 (continued): Variations in the data

Information presented in this report between 2014–15 and 2016–17 for:

- full-time equivalent (FTE) staff is based on data reported for both the PHE NMDS and the LHN DSS/NBEDS. Information for FTE staff presented for 2012–13 to 2013–14, do not include FTE staff employed outside of public hospitals
- recurrent expenditure is based on data reported for both the PHE NMDS and the LHN NBEDS. Information for recurrent expenditure presented for 2012–13 to 2013–14, do not include expenditure attributed to the LHNs or at the state/territory health authority level.

Information on the following data is not presented in this report due to apparent non-comparability across jurisdictions:

- revenue
- recurrent expenditure on contracted care
- available beds for contracted care
- capital expenditure.

Information on hospital accreditation reported for the NPHED does not appear to be comparable across jurisdictions. See Appendix E for more information.

See Table 1.1 and appendixes A and B for more information.

Where to go for more information

This report is available on the AIHW website at <https://www.aihw.gov.au/reports-statistics/health-welfare-services/hospitals/overview> in PDF format and all tables are available to download.

The website includes additional information for download on hospitals and LHNs included in the AIHW hospitals databases and Service Related Groups for admitted patients.

MyHospitals website

Selected information for individual public hospitals is available on the AIHW's *MyHospitals* website at <www.myhospitals.gov.au/>.

The information includes:

- contact details, including address and phone number
- number of available beds (as a range)
- services provided at the hospital.

Although the peer groupings used in this report and on the *MyHospitals* website are founded on the same peer grouping classification (AIHW 2015a) there are some differences in the names and the groupings. For example, *Principal referral hospitals* are described as *Major hospitals* on the *MyHospitals* website. For an explanation of these differences, see <www.myhospitals.gov.au/about-the-data>.

Updates

Online tables will be updated if revisions are required after publication.

2 How many hospitals are there in Australia?

This chapter presents an overview of public and private hospitals in 2016–17 and changes over time, covering the overall numbers of hospitals and the number of hospital beds.

Information on public hospitals was sourced from the NPHED (see Appendix A) and information on private hospitals from the ABS's PHEC (ABS 2017). Caution should be used in comparing the data for public hospitals and private hospitals as there are differences in the data definitions used between the NPHED and the PHEC (see Box 1.1).

The information in this chapter includes:

- the number of public hospitals and average available beds
- the number of private hospitals and licensed beds (or chairs)
- an international comparison—against the OECD average for the number of hospital beds per 1,000 population, by state and territory
- the number of local hospital networks in 2016–17.

Key findings

How many hospitals were there?

In 2016–17, there were 695 public hospitals, and there were 630 private hospitals in 2015–16 (including day hospital facilities).

Between 2015–16 and 2016–17, the number of public hospitals decreased from 701 to 695. For more information, see Box 2.1.

How many hospital beds?

In 2016–17, 62,000 hospital beds were reported for public hospitals, and 33,100 licensed beds were reported for private hospitals in 2015–16.

Between 2012–13 and 2016–17, the number of public hospital beds rose by an average of 1.5% each year, while the number of public hospital beds per 1,000 population was relatively stable at around 2.5 beds per 1,000.

Between 2011–12 and 2015–16, the number of licensed beds in private hospitals rose by an average of 3.3% each year, and the number of private hospital beds per 1,000 population rose from 1.30 per 1,000 in 2011–12 to 1.39 per 1,000 in 2015–16.

In 2016–17, Australia had 3.90 beds per 1,000 population in public and private hospitals combined (using 2015-16 data for private hospitals), compared with an average of 4.69 beds per 1,000 population for other Organisation for Economic Co-operation and Development countries (OECD 2017).

2.1 How many hospitals were there?

This section presents summary information on changes in the numbers of public and private hospitals in Australia over time, and more detailed information on the numbers of public hospitals in 2016–17 and private hospitals in 2015–16.

Changes over time

Public hospitals

In 2016–17, there were 695 public hospitals, compared with 746 in 2012–13 (Table 2.1). Much of this decrease was due to either the amalgamation or reclassification of establishments (see Box 2.1).

Between 2012–13 and 2016–17, the total number of public hospitals was stable in most states and territories, except for Queensland where the number of public hospitals decreased between 2013–14 and 2014–15 (Table 2.2).

Box 2.1: What caused changes in the numbers of hospitals?

The number of hospitals reported can be affected by jurisdictional variations in administrative and/or reporting arrangements and is not necessarily a measure of the number of physical hospital buildings or campuses (see Appendix B).

Changes in the numbers of hospitals over time can reflect the opening of new hospitals, the closure of hospitals, the reclassification of hospitals as non-hospital facilities (or vice-versa) and the amalgamation of existing hospitals.

For New South Wales:

- between 2012–13 and 2013–14, one establishment that was previously classified as a public acute hospital was reclassified as a public psychiatric hospital, resulting in an apparent decrease in Public hospitals (other than psychiatric) and an increase in Public psychiatric hospitals
- between 2013–14 and 2014–15, a hospice ceased reporting as a separate campus, and Rankin Park Hospital commenced reporting as a separate campus
- for 2015–16, Byron Central Hospital opened, and Byron Bay Hospital closed—both hospitals are counted for 2015–16 and Byron Central is counted for 2016–17
- in 2016–17, St Vincent's Lismore ceased reporting as a public hospital, and Cudal War Memorial Hospital and Rankin Park Hospital ceased reporting.

For Victoria:

- between 2013–14 and 2014–15, an aged care/rehabilitation facility ceased reporting as a separate campus
- for 2014–15, the Ursula Frayne Centre opened.

For Queensland:

- between 2013–14 and 2014–15, 46 very small reporting hospitals were reclassified as non-hospital facilities

(continued)

Box 2.1 (continued): What caused changes in the numbers of hospitals?

- the Gold Coast University Hospital opened in September 2013 and the Gold Coast Hospital subsequently closed
- the Lady Cilento Children's Hospital opened in November 2014 and the Mater Children's Hospital and the Royal Children's Hospital subsequently closed. For the purposes of this report, the data for all 3 hospitals were combined for 2014–15
- the Sunshine Coast University Hospital opened in March 2017.

For Western Australia:

- in 2014–15, the Fiona Stanley Hospital opened
- in 2015–16, the St John of God Midland Public Hospital opened and Swan District Hospital closed (both hospitals are counted for 2015–16), and the Sir Charles Gairdner Hospital Mental Health Unit opened
- in 2016–17, the Next Step Drug and Alcohol Services and the Royal Perth Hospital Shenton Park Campus ceased reporting separately from their respective 'parent' campuses.

Table 2.1: Public hospitals[(a)], 2012–13 to 2016–17

						Change (%)	
	2012–13	2013–14	2014–15	2015–16	2016–17	Average since 2012–13	Since 2015–16
Public hospitals (other than psychiatric)	729	730	677	679	673	–1.9	–0.9
Public psychiatric hospitals	17	17	21	22	22	5.1	0.0
Total public hospitals	**746**	**747**	**698**	**701**	**695**	**–1.7**	**–0.9**

(a) Between 2012–13 and 2016–17, there were changes in the reporting of public hospitals for New South Wales, Victoria, Queensland, Western Australia and South Australia that affect the counting of public hospitals. See Box 2.1 for more information.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Source: NPHED.

Table 2.2: Public hospitals, states and territories, 2012–13 to 2016–17

						Change (%)	
	2012–13	2013–14	2014–15	2015–16	2016–17	Average since 2012–13	Since 2015–16
New South Wales[(a)]	225	225	225	226	222	–0.3	–1.8
Victoria[(a)(b)]	150	151	151	151	151	0.2	0.0
Queensland[(a)]	170	169	122	122	123	–7.6	0.8
Western Australia[(a)]	90	91	92	94	91	0.3	–3.2
South Australia[(a)]	80	80	77	77	77	–1.0	0.0
Tasmania	23	23	23	23	23	0.0	0.0
Australian Capital Territory	3	3	3	3	3	0.0	0.0
Northern Territory	5	5	5	5	5	0.0	0.0
Total public hospitals	**746**	**747**	**698**	**701**	**695**	**–1.7**	**–0.9**

(a) Between 2012–13 and 2016–17, there were changes in the reporting of public hospitals for New South Wales, Victoria, Queensland Western Australia and South Australia that affect the counting of public hospitals. See Box 2.1 for more information.

(b) The number of public hospitals in Victoria is reported as a count of the campuses that reported separately to the National Hospital Morbidity Database (NHMD) in 2016–17. The Victorian forensic public psychiatric hospitals are counted as 1 hospital for the purpose of this report.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Source: NPHED.

Private hospitals

Between 2011–12 and 2015–16, the number of private hospitals reporting to the PHEC rose from 592 to 630 (Table 2.3). Hospitals in New South Wales accounted for the majority of this increase (Table 2.4).

Counts of private hospitals can also vary, depending on the source of the information. Therefore, there may be discrepancies between counts of private hospitals from the ABS's PHEC and the numbers of private hospitals contributing to the AIHW's National Hospital Morbidity Database (NHMD) (reported in *Admitted patient care 2016–17: Australian hospital statistics*—AIHW 2018a). The states and territories reported the latter information, which may not correspond with the way in which private hospitals report to the ABS's PHEC.

Table 2.3: Private hospitals, 2011–12 to 2015–16

						Change (%)	
	2011–12	2012–13	2013–14	2014–15	2015–16	Average since 2011–12	Since 2014–15
Private free-standing day hospital facilities	311	319	326	342	341	2.3	–0.3
Other private hospitals	281	282	286	282	289	0.7	2.5
Total private hospitals	**592**	**601**	**612**	**624**	**630**	**1.6**	**1.0**

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Sources: Private hospitals Australia reports (ABS 2013, 2014, 2015, 2016, 2017).

Table 2.4: Private hospitals, states and territories, 2011–12 to 2015–16

						Change (%)	
	2011–12	2012–13	2013–14	2014–15	2015–16	Average since 2011–12	Since 2014–15
New South Wales	185	192	193	203	205	2.6	1.0
Victoria[(a)]	164	165	165	167	169	0.8	1.2
Queensland	107	106	108	109	109	0.5	0.0
Western Australia	57	57	62	60	62	2.1	3.3
South Australia	54	55	55	55	56	0.9	0.2
Tasmania, Australian Capital Territory and Northern Territory[(b)]	25	26	29	30	29	3.8	–3.3
Total	**592**	**601**	**612**	**624**	**630**	**1.6**	**1.0**

(a) The classification of private hospital facilities reported by the ABS differs from the type of registered facility recorded by the Victorian Department of Health and Human Services.

(b) Tasmania, the Australian Capital Territory and the Northern Territory data were combined by the ABS to protect the confidentiality of the small number of hospitals in these jurisdictions.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Sources: Private hospitals Australia reports (ABS 2013, 2014, 2015, 2016, 2017).

How many hospitals were there in 2016–17?

Tables 2.5 and 2.6 present the number of hospitals by state and territory (for public hospitals in 2016–17 and for private hospitals for 2015–16, respectively).

The largest 3 states accounted for 71% (496) of public hospitals and 77% (483) of private hospitals. There were:

- 673 *Public hospitals* (other than psychiatric)
- 22 *Public psychiatric hospitals*
- 341 *Private free-standing day hospital facilities*
- 289 *Other private hospitals* (that did not specialise in same-day care).

Table 2.5: Public hospitals, states and territories, 2016–17

	NSW	Vic[(a)]	Qld	WA	SA	Tas	ACT	NT	Total
Public hospitals (other than psychiatric)	214	148	119	87	75	22	3	5	673
Public psychiatric hospitals	8	3	4	4	2	1	. .	. .	22
Total public hospitals	**222**	**151**	**123**	**91**	**77**	**23**	**3**	**5**	**695**

(a) The number of public hospitals in Victoria is reported as a count of the campuses that reported separately to the NHMD in 2016–17. The Victorian forensic public psychiatric hospitals are counted as 1 hospital for the purpose of this report.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Source: NPHED.

Table 2.6: Private hospitals, states and territories, 2015–16

	NSW	Vic[(b)]	Qld	WA	SA	Tas	ACT	NT	Total
Private free-standing day hospital facilities	109	91	53	40	30	n.a.	n.a.	n.a.	341
Other private hospitals	96	78	56	22	26	n.a.	n.a.	n.a.	289
Total private hospitals	**205**	**169**	**109**	**62**	**56**	**n.a.**	**n.a.**	**n.a.**	**630**

(a) The classification of private hospital facilities reported by the ABS differs from the type of registered facility recorded by the Victorian Department of Health and Human Services.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Source: ABS 2017.

Where were public hospitals located?

About 25% of public hospitals (176) were located in *Major cities* (Table 2.7). The greatest number of public hospitals was reported for *Outer regional* areas (216, or 31%).

Queensland, South Australia and the Northern Territory all had high proportions of hospitals (80% or greater) located outside of the area that included the state/territory capital (for example, *Major cities* for New South Wales, Victoria, Queensland, Western Australia, South Australia and the Australian Capital Territory, and *Total regional* for Tasmania and the Northern Territory).

Queensland, Western Australia and the Northern Territory had the highest proportions of their public hospitals located in *Total remote* areas.

However, the number of hospital beds that were located in each remoteness area indicates that most of the larger public hospitals are located in the more populated areas. For more information, see Section 2.2 ‘How many hospital beds were there?’.

Table 2.7: Number of public hospitals by remoteness area[a], states and territories, 2016–17

	NSW	Vic[b]	Qld	WA	SA	Tas	ACT	NT	Total
Major cities	66	53	20	19	15	. .	3	. .	176
Regional	*137*	*96*	*70*	*37*	*44*	*19*	*. .*	*1*	*404*
Inner regional	74	58	25	12	14	5	. .	. .	188
Outer regional	63	38	45	25	30	14	. .	1	216
Remote	*19*	*2*	*33*	*35*	*18*	*4*	*. .*	*4*	*115*
Remote	10	2	12	21	12	2	. .	2	61
Very remote	9	. .	21	14	6	2	. .	2	54
Total all remoteness areas	**222**	**151**	**123**	**91**	**77**	**23**	**3**	**5**	**695**

(a) The remoteness area of hospitals was based on the ABS 2011 Australian Statistical Geography Standard remoteness area classification.

(b) The number of public hospitals in Victoria is reported as a count of the campuses that reported separately to the NHMD in 2016–17. The Victorian forensic public psychiatric hospitals are counted as one hospital for the purpose of this report.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Source: NPHED.

Where to go for more information

More information on hospitals is available in:

- 'Chapter 3 How diverse were public hospitals?'
- 'Chapter 4 Who funded hospitals and how much did hospitals spend?'
- 'Chapter 5 How many people were employed in providing hospital services?'
- the Australian Bureau of Statistics' report Private hospitals Australia 2015–16 at <www.abs.gov.au/ausstats/abs@.nsf/mf/4390.0>.

Information on data limitations and methods is available in appendixes A and B.

2.2 How many hospital beds were there?

This section presents information on the numbers of hospital beds in public and private hospitals and beds per 1,000 population in Australia over time, as well as detailed information for public hospitals in 2016–17, and private hospitals in 2015–16.

Differences in the measures of beds used between public and private hospitals should be considered when interpreting the information presented (see Box 2.2).

Differences in administrative practices and reporting should also be considered when interpreting changes over time (see Box 2.3).

Box 2.2: How are beds defined?

Public hospitals

For public hospitals, average available beds include both occupied and unoccupied beds.

Average available beds for same-day patients is the number of beds, chairs or trolleys exclusively or predominantly available to provide accommodation for same-day patients, averaged over the counting period.

Average available beds for overnight-stay patients is the number of beds exclusively or predominantly available to provide overnight accommodation for patients (other than neonatal cots (non-special-care) and beds occupied by hospital-in-the-home patients), averaged over the counting period.

Average available beds for contracted care is the number of beds available to care for admitted patients that a public hospital, LHN, or state provides via contractual arrangements with private hospitals. However, due to concerns about the comparability of the data across jurisdictions, these data are not presented in this report.

Private hospitals

For private hospitals, the numbers of beds reported are *licensed beds*—the maximum number of beds specified in the hospital's registration process. For private free-standing day hospital facilities, they include chairs, trolleys, recliners and cots.

Private hospital beds are not directly comparable to public hospital beds.

Changes over time

Public hospitals

Between 2012–13 and 2016–17, public hospital bed numbers rose overall, by an average of 1.5% per year, from 58,300 to almost 62,000 beds (Table 2.8). Same-day beds/chairs accounted for 12% of available public hospital beds in 2012–13, and this increased to 13% of available public hospital beds in 2016–17. Public hospital beds per 1,000 population were relatively stable at around 2.5 beds per 1,000 population over the same period.

Between 2012–13 and 2016–17, the number of public hospital beds increased for all states and territories with the exception of South Australia (Table 2.9). The numbers of available beds in public hospitals per 1,000 population were relatively stable for most states and territories over this period (see Box 2.3).

Table 2.8: Average available beds and beds per 1,000 population, public hospitals, 2012–13 to 2016–17

						Change (%)	
	2012–13	2013–14	2014–15	2015–16	2016–17	Average since 2012–13	Since 2015–16
Public hospitals (other than psychiatric)	56,193	56,503	58,187	58,775	59,611	1.5	1.4
Same-day beds/chairs	7,195	7,308	7,551	7,700	8,080	2.9	4.9
Overnight beds	48,998	49,195	50,636	51,075	51,532	1.3	0.9
Public psychiatric hospitals	2,118	2,065	2,153	2,183	2,186	0.8	0.1
Total	**58,311**	**58,567**	**60,340**	**60,957**	**61,797**	**1.5**	**1.4**
Beds per 1,000 population[(a)]	**2.52**	**2.49**	**2.53**	**2.52**	**2.51**	**–0.1**	**–0.4**

(a) Rates of beds per 1,000 population are rounded to 2 decimal places. Average beds per 1,000 population is reported as a crude rate based on the estimated resident population as at 30 June at the end of the relevant reporting period.

Note: See boxes 1.2 and 2.3 for notes on data limitations.

Source: NPHED.

Box 2.3: What are the limitations of the data on public hospital bed numbers?

The range and types of patients treated by a hospital (its casemix) can affect the comparability of bed numbers. For example, hospitals might have different proportions of beds available for special and more general purposes, for same-day care only or for overnight care.

The average number of available beds presented in this report may differ from the counts published elsewhere. For example, counts based on a specified date, such as 30 June, may differ from the average available beds for the reporting period. In addition:

- Between 2013–14 and 2014–15, 46 very small reporting hospitals in Queensland were reclassified as non-hospital health services. The 46 hospitals combined reported 20 average available beds (in total) in 2013–14.
- In 2014–15, Tasmania reclassified a number of mental health, aged care and same-day beds in hospitals, resulting in an apparent increase of 103 beds between 2013–14 and 2014–15. After adjusting for this change, Tasmania estimates that average available beds increased by about 0.8% between 2013–14 and 2014–15.

Private hospitals

Between 2011–12 and 2015–16, private hospital bed numbers rose by an average of 3.3% per year (from 29,000 to 33,100) and the number of beds per 1,000 population increased from 1.30 to 1.39 per 1,000, or by an average of 1.7% per year (Table 2.10).

Over the same period, the number of licensed beds in *Other private hospitals* (those that do not specialise in same-day care) increased by an average of 3.5% per year and the number of licensed beds/chairs in *Private free-standing day hospital facilities* increased by 1.5% each year.

For *Other private hospitals*, the number of licensed beds per 1,000 population rose from around 1.17 to 1.26 beds per 1,000 between 2011–12 and 2015–16 (Table 2.11).

Between 2014–15 and 2015–16, licensed beds in *Other private hospitals* in Victoria increased by 5.6%.

Information on changes in the numbers of licensed beds/chairs in *Private free-standing day hospital facilities* by state and territory are not shown as this information is not published by the ABS for Western Australia, South Australia, Tasmania, the Australian Capital Territory and the Northern Territory.

Table 2.9: Average available beds[(a)] and beds per 1,000 population, public hospitals, states and territories, 2012–13 to 2016–17

						Change (%)	
	2012–13	2013–14	2014–15	2015–16	2016–17	Average since 2012–13	Since 2015–16
Average available beds							
New South Wales	20,181	20,242	21,018	21,152	21,147	1.2	–0.0
Victoria	13,449	13,583	13,909	14,315	14,667	2.2	2.5
Queensland[(b)]	11,273	11,508	11,771	12,005	12,213	2.0	1.7
Western Australia	5,648	5,477	5,689	5,607	5,876	1.0	4.8
South Australia	4,922	4,876	4,923	4,794	4,816	–0.5	0.5
Tasmania[(c)]	1,188	1,187	1,299	1,314	1,304	2.4	–0.8
Australian Capital Territory	986	1,030	1,068	1,106	1,110	3.0	0.4
Northern Territory	664	664	664	664	664	0.0	0.0
Total public hospital beds	**58,311**	**58,567**	**60,340**	**60,957**	**61,797**	**1.5**	**1.4**
Available beds per 1,000 population[(d)]							
New South Wales	2.72	2.69	2.76	2.73	2.69	–0.3	–1.5
Victoria	2.33	2.30	2.31	2.32	2.32	–0.1	0.0
Queensland[(b)]	2.42	2.44	2.46	2.48	2.48	0.6	0.0
Western Australia	2.27	2.17	2.24	2.19	2.28	0.1	4.1
South Australia	2.94	2.89	2.89	2.80	2.79	–1.3	–0.4
Tasmania[(c)]	2.32	2.31	2.52	2.54	2.50	1.9	–1.6
Australian Capital Territory	2.57	2.65	2.69	2.74	2.71	1.3	–1.1
Northern Territory	2.74	2.73	2.71	2.70	2.70	–0.4	0.0
Total public hospitals	**2.52**	**2.49**	**2.53**	**2.52**	**2.51**	**–0.1**	**–0.4**

(a) The average number of available beds presented here may differ from the counts published elsewhere. For example, counts based on bed numbers at a specified date such as 30 June may differ from the average available beds over the reporting period.

(b) The count of beds in Queensland was based on data as at 30 June of the relevant year.

(c) In 2014–15, Tasmania reclassified a number of mental health, aged care and same-day beds in hospitals, resulting in an apparent increase of 103 beds between 2013–14 and 2014–15. After adjusting for this change, Tasmania estimates that average available beds increased by about 0.8% between 2013–14 and 2014–15.

(d) Average available beds per 1,000 population is reported as a crude rate based on the estimated resident population as at 30 June at the end of the relevant reporting period.

Note: See boxes 1.2, 2.1, 2.2 and 2.3 for notes on data limitations.

Source: NPHED.

Table 2.10: Licensed beds and beds per 1,000 population, private hospitals, 2011–12 to 2015–16

						Change (%)	
	2011–12	2012–13	2013–14	2014–15	2015–16	Average since 2011–12	Since 2014–15
Private free-standing day hospital facilities	2,973	2,938	2,977	3,095	3,152	1.5	1.8
Other private hospitals	26,031	26,889	27,943	28,679	29,922	3.5	4.3
Total private hospital beds	**29,004**	**29,827**	**30,920**	**31,774**	**33,074**	**3.3**	**4.1**
Beds per 1,000 population[(a)]	**1.30**	**1.31**	**1.34**	**1.35**	**1.39**	**1.7**	**3.0**

(a) Rates of available beds per 1,000 population are rounded to 2 decimal places. Average available beds per 1,000 population is reported as a crude rate based on the estimated resident population as at 30 June of the relevant year.

Note: See boxes 1.2 and 2.2 for notes on data limitations.

Sources: Private hospitals Australia reports (ABS 2013, 2014, 2015, 2016, 2017).

Table 2.11: Licensed beds and beds per 1,000 population, other private hospitals, states and territories, 2011–12 to 2015–16

						Change (%)[(a)]	
	2011–12	2012–13	2013–14	2014–15	2015–16	Average since 2012–13	Since 2014–15
Licensed beds							
New South Wales	6,995	7,143	7,326	7,843	8,184	4.0	4.3
Victoria	6,841	7,214	7,496	7,457	7,876	3.6	5.6
Queensland	6,017	6,108	6,480	6,483	6,797	3.1	4.8
Western Australia[(a)]	3,284	3,486	n.a.	n.a.	n.a.	n.a.	n.a.
South Australia[(a)]	n.a.	1,861	1,863	1,878	n.a.	n.a.	n.a.
Tasmania, Australian Capital Territory, and Northern Territory[(a)]	n.a.	1,077	n.a.	n.a.	n.a.	n.a.	n.a.
Total *Other private hospital* beds	**26,031**	**26,889**	**27,943**	**28,679**	**29,922**	**3.5**	**4.3**
Licensed beds per 1,000 population[(b)]							
New South Wales	0.97	0.98	0.99	1.04	1.07	2.3	4.0
Victoria	1.24	1.28	1.31	1.28	1.32	1.6	3.1
Queensland	1.34	1.34	1.39	1.37	1.42	1.5	3.6
Western Australia[(a)]	1.40	1.43	n.a.	n.a.	n.a.	n.a.	n.a.
South Australia[(a)]	n.a.	1.12	1.12	1.11	n.a.	n.a.	n.a.
Tasmania, Australian Capital Territory, and Northern Territory[(a)]	n.a.	0.96	n.a.	n.a.	n.a.	n.a.	n.a.
Total *Other private hospitals*	**1.17**	**1.18**	**1.21**	**1.22**	**1.26**	**1.9**	**3.3**

(a) Tasmania, the Australian Capital Territory and the Northern Territory were aggregated by ABS to protect the confidentiality of the small number of hospitals in these states/territories. Data for Western Australia for 2013–14, 2014–15 and 2015–16, and data for South Australia for 2015–16 were not published by the ABS.

(b) Licensed beds per 1,000 population is reported as a crude rate based on the estimated resident population as at 30 June of the relevant year.

Note: See boxes 1.2, 2.1 and 2.2 for notes on data limitations.

Sources: Private hospitals Australia reports (ABS 2013, 2014, 2015, 2016, 2017).

How many hospital beds were there in 2016–17?

In 2016–17, there were 62,000 available beds in public hospitals, with 2,186 (3.5%) of these in public psychiatric hospitals (Table 2.12).

In 2016–17, nationally, almost 87% of beds in *Public hospitals (other than psychiatric)* were available for overnight stay patients. The proportion of beds available for same-day patients in *Public hospitals (other than psychiatric)* ranged from 5.1% in the Northern Territory to 19% in Queensland.

The number of available beds per 1,000 population in *Public hospitals (other than psychiatric)* ranged from 2.2 per 1,000 in Western Australia, to 2.7 per 1,000 in the Australian Capital Territory and the Northern Territory.

Almost 33,100 licensed beds were reported for private hospitals in 2015–16 (data for 2016–17 were not available at the time of publication), with 3,152 (9.5%) of these in *Private free-standing day hospital facilities* (Table 2.13).

Table 2.12: Average available beds per 1,000 population in public hospitals, states and territories, 2016–17

	NSW	Vic	Qld[b]	WA	SA	Tas	ACT	NT	Total
Average available beds[a]									
Public hospitals (other than psychiatric)	19,994	14,484	11,904	5,608	4,632	1,215	1,110	664	59,611
Same-day beds/chairs	1,735	2,393	2,256	710	588	224	139	34	8,080
Overnight beds	18,258	12,092	9,648	4,898	4,044	991	971	630	51,532
Public psychiatric hospitals	1,153	183	309	268	184	89	. .	. .	2,186
Total public hospital beds	**21,147**	**14,667**	**12,213**	**5,876**	**4,816**	**1,304**	**1,110**	**664**	**61,797**
Available beds per 1,000 population[c]									
Public hospitals (other than psychiatric)	2.54	2.29	2.42	2.17	2.69	2.33	2.71	2.70	2.42
Public psychiatric hospitals	0.15	0.03	0.06	0.10	0.11	0.17	. .	. .	0.09
Total	2.69	2.32	2.48	2.28	2.79	2.50	2.71	2.70	2.51

(a) The number of average available beds presented here may differ from the counts published elsewhere. For example, counts based on bed numbers at a specified date such as 30 June may differ from the average available beds over the reporting period. For private hospitals, the counts are licensed beds and are not directly comparable to *Public hospital* average available beds.

(b) The count of public hospital beds in Queensland was based on data as at 30 June 2017.

(c) Average available beds or licensed beds per 1,000 population are reported as a crude rate based on the estimated resident population as at 30 June 2017.

Note: See boxes 1.2 and 2.2 for notes on data limitations.

Source: NPHED.

Table 2.13: Average available licensed beds[(a)] per 1,000 population in private hospitals, states and territories, 2015–16

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Average available beds									
Private free-standing day hospital facilities	926	753	587	n.a.	n.a.	n.a.	n.a.	n.a.	3,152
Other private hospitals	8,184	7,876	6,797	n.p.	n.a.	n.a.	n.a.	n.a.	29,922
Total private hospital beds[(a)]	**9,110**	**8,629**	**7,384**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**33,074**
Licensed beds per 1,000 population[(b)]									
Private free-standing day hospital facilities	0.12	0.13	0.12	n.a.	n.a.	n.a.	n.a.	n.a.	0.13
Other private hospitals	1.07	1.32	1.42	n.a.	n.a.	n.a.	n.a.	n.a.	1.26
Total beds per 1,000 population[(b)]	**1.20**	**1.45**	**1.54**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**1.39**

(a) The number of average available beds presented here may differ from the counts published elsewhere. For example, counts based on bed numbers at a specified date such as 30 June may differ from the average available beds over the reporting period. For private hospitals, the counts are licensed beds and are not directly comparable to public hospital average available beds.

(b) Average available beds or licensed beds per 1,000 population are reported as a crude rate based on the estimated resident population as at 30 June 2016.

Note: See boxes 1.2 and 2.2 for notes on data limitations.

Source: ABS 2017.

Where were public hospital beds located?

Nationally, about 68% of public hospital beds were located in *Major cities* (42,000 beds) and 18% were located in *Inner regional* areas (11,300 beds) (Table 2.14).

The number of public hospital beds per 1,000 population varied across remoteness areas, from 2.43 beds per 1,000 population in *Major cities* to 3.58 beds per 1,000 population in *Remote* areas, compared with 2.55 nationally. The numbers of public hospital beds per 1,000 population in Table 2.14 are based on the estimated resident population by remoteness areas as at 30 June 2016 and therefore differ from those reported in tables 2.8, 2.9 and 2.12 that are based on the estimated resident population by state or territory as at 30 June 2017.

The Australian Capital Territory had the highest average available beds per 1,000 population in *Major cities* (2.79 beds per 1,000 population), noting that all public hospital services in the Australian Capital Territory are in areas classified as *Major cities*. New South Wales had the highest beds per 1,000 in *Total regional* areas (comprising *Inner regional* and *Outer regional* areas combined, 3.22 per 1,000) and *Total remote* areas (comprising *Remote* and *Very remote* areas combined, 6.57 beds per 1,000).

The ratio of available beds to the population does not necessarily indicate the accessibility of hospital services. A hospital can provide services for patients who usually reside in other areas of the state or territory, or in other jurisdictions. The patterns of bed availability across regions may also reflect the availability of other health-care services and patterns of disease and injury.

How does Australia compare?

In 2016–17, Australia had 3.90 beds per 1,000 population in public and private hospitals, compared with an average of 4.69 beds per 1,000 population for countries analysed by the Organisation for Economic Co-operation and Development (OECD) (Table 2.15), and ranked in the middle of the 35 OECD and other selected countries.

Among the countries analysed by the OECD, the number of hospital beds per 1,000 population ranged from 1.5 per 1,000 in Mexico to 13.2 per 1,000 in Japan (Figure 2.1). Compared with Australia, there were fewer beds per 1,000 population in the United States (2.9), New Zealand (2.8), the United Kingdom (2.7) and Canada (2.7). There were more beds per 1,000 in Germany (8.2), France (6.2) and Greece (4.2) (OECD 2017).

Table 2.14: Average available beds and beds per 1,000 population[a], by remoteness area[b], public hospitals, states and territories, 2016–17

	NSW	Vic	Qld[c]	WA	SA	Tas	ACT	NT	Total
Average available beds									
Major cities	14,733	10,845	7,442	4,465	3,323	. .	1,110	. .	41,918
Total regional	*6,172*	*3,812*	*4,283*	*960*	*1,209*	*1,282*	*0.0*	*367*	*18,084*
Inner regional	4,453	3,048	2,035	399	370	957	0.0	. .	11,262
Outer regional	1,719	764	2,248	560	839	325	. .	367	6,822
Total remote	*242*	*11*	*488*	*451*	*284*	*22*	. .	*297*	*1,795*
Remote	182	11	211	330	226	12	. .	243	1,215
Very remote	60	. .	277	121	58	10	. .	54	580
Total all remoteness areas	**21,147**	**14,667**	**12,213**	**5,876**	**4,816**	**1,304**	**1,110**	**664**	**61,797**
Available or licensed beds per 1,000 population									
Major cities	2.55	2.28	2.43	2.27	2.64	. .	2.79	. .	2.43
Total regional	*3.22*	*2.70*	*2.58*	*2.22*	*3.05*	*2.53*	*0.0*	*2.52*	*2.79*
Inner regional	3.03	2.62	2.10	1.62	1.95	2.79	0.0	. .	2.57
Outer regional	3.86	3.04	3.25	3.02	4.06	1.98	. .	2.52	3.27
Total remote	*6.57*	*2.42*	*3.75*	*2.86*	*4.78*	*2.12*	. .	*2.98*	*3.58*
Remote	6.27	2.42	2.82	3.35	4.98	1.53	. .	5.12	3.95
Very remote	7.67	. .	5.02	2.03	4.15	3.93	. .	1.03	2.99
Total all remoteness areas	**2.73**	**2.37**	**2.52**	**2.30**	**2.81**	**2.52**	**2.75**	**2.70**	**2.55**

(a) Average available beds per 1,000 population is reported as a crude rate based on the estimated resident population as at 30 June 2016, as 30 June 2017 estimated resident population for remoteness areas were not available at the time of publication. Therefore, the numbers of beds per 1,000 population in this table differ from those reported in tables 2.8, 2.9 and 2.12 that are based on the estimated resident population by state or territory as at 30 June 2017.

(b) The remoteness area of hospital was based on the ABS 2011 remoteness area classification.

(c) The count of beds in Queensland was based on data as at 30 June 2017.

Note: See boxes 1.2, 2.1 and 2.2 for notes on data limitations.

Source: NPHED.

Table 2.15: Hospital beds, per 1,000 population[a], states and territories, public hospitals (2016–17), and private hospitals (2015–16), average for OECD countries and other selected countries (2015)[b]

	Hospital beds (per 1,000 population)		
	Public hospitals	Private hospitals[c]	Total
New South Wales	2.69	1.20	3.89
Victoria	2.32	1.45	3.77
Queensland	2.48	1.54	4.02
Western Australia	2.28	n.a.	n.a.
South Australia	2.79	n.a.	n.a.
Tasmania	2.50	n.a.	n.a.
Australian Capital Territory	2.71	n.a.	n.a.
Northern Territory	2.70	n.a.	n.a.
Australia	**2.51**	**1.39**	**3.90**
OECD average[b]	**. .**	**. .**	**4.69**
OECD interquartile range[d]	. .	. .	2.91–5.94
Number of countries[b]	. .	. .	35

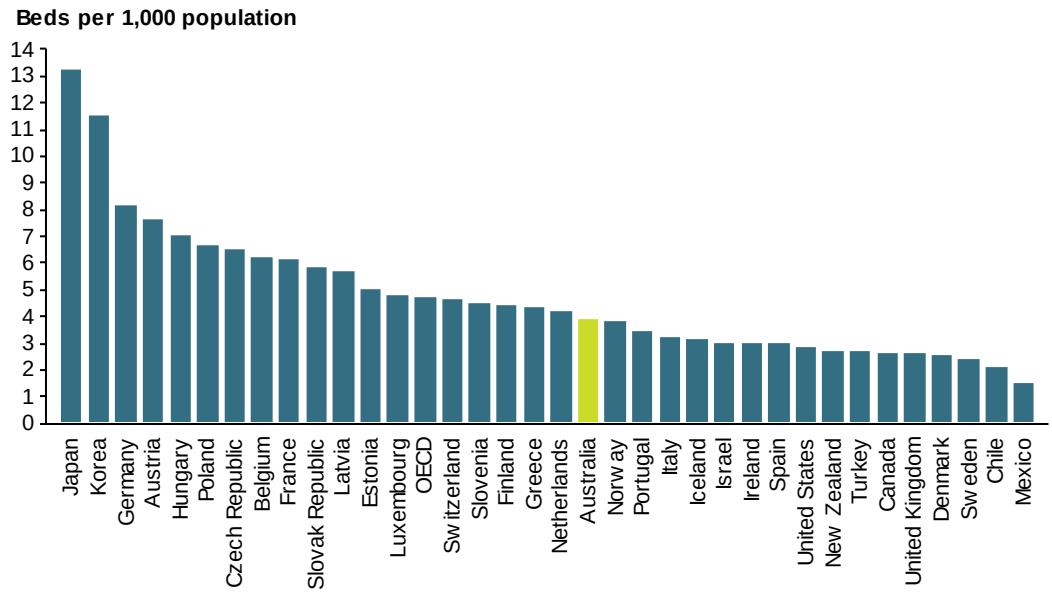
(a) Hospital beds per 1,000 population for Australia is reported as a crude rate based on the estimated resident population as at 30 June 2017.

(b) The OECD average includes some countries that do not belong to the OECD. For some countries, the data relate to a year other than 2015.

(c) Based on data for 2015–16. Beds/chairs in private free-standing day hospital facilities were included for Australia but were not available for all states and territories.

(d) The interquartile range is a measure of statistical dispersion, being equal to the difference between the upper and lower quartiles.

Source: Public hospital beds were sourced from NPHED and private hospital beds were sourced from *Private hospitals Australia 2015–16* (ABS 2017). Hospital beds for other countries were sourced from OECD 2017.



(a) Data for countries analysed by the OECD vary in collection periods, and whether reported by financial year or calendar year. For some countries, the data relate to a year other than 2015 (OECD 2017).

Figure 2.1: Beds per 1,000 population, Australia (2016–17), OECD countries and other selected countries (2015)[a]

2.3 How many Local hospital networks were there in 2016–17?

Local hospital networks are defined as those entities recognised as such by the relevant state or territory health authority. They directly manage single or small groups of public hospital services and their budgets, and are directly responsible for hospital performance (METeOR identifier: 491016).

The LHNs vary greatly in location, size and in the types of hospitals that they include. LHNs may include both public and private hospitals. The information presented below relates to public hospitals only.

Table 2.16 shows the number of LHNs in each state and territory, and includes a count of networks according to the 'major public hospital' in the network (using the AIHW public hospital peer groups). The 'major public hospital' was identified as the hospital with the greatest amount of admitted patient activity among the hospitals in the LHN. For more information on the peer group classification, see Chapter 3 and Appendix C.

In 2016–17, there were 136 LHNs, including 88 in Victoria, and 1 in the Australian Capital Territory (Table 2.16).

Many LHNs in Victoria consist of a single public hospital. Other networks might consist of a *Principal referral* or *Public acute group A* hospital and a range of smaller and/or more specialised hospitals.

More information on Local hospital networks is available from the National Health Reform Public Hospital Funding website <www.publichospitalfunding.gov.au/>.

Table 2.16: Local hospital networks, by major public hospital type, states and territories, 2016–17

	NSW	Vic[(a)]	Qld[(b)]	WA	SA	Tas	ACT	NT	Total
Total number of Local hospital networks	**18**	**88**	**16**	**5**	**5**	**1**	**1**	**2**	**136**
Principal referral	9	6	5	3	2	1	1	1	28
Women's and children's	1	3	1	1	1	0	0	0	7
Public acute group A	5	13	6	0	1	0	0	1	26
Public acute group B	2	1	1	1	1	0	0	0	6
Public acute group C	0	29	3	0	0	0	0	0	32
Public acute group D	0	19	0	0	0	0	0	0	19
Very small	0	10	0	0	0	0	0	0	10
Psychiatric	1	1	0	0	0	0	0	0	2
Subacute and non-acute	0	1	0	0	0	0	0	0	1
Other	0	5	0	0	0	0	0	0	5
LHNs that consist of a single hospital	1	55	0	1	1	0	0	0	58
Total number of hospitals	**222**	**151**	**123**	**91**	**77**	**23**	**3**	**5**	**695**

(a) The number of public hospitals in Victoria is reported as a count of the campuses that reported data separately to the NHMD in 2016–17. The Victorian forensic public psychiatric hospitals are counted as 1 hospital for the purpose of this report.

(b) For Queensland, the Mater Adult Hospital and the Mater Mother's Hospital (which are both privately owned and operated) were not allocated to a Local hospital network.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Source: NPHED.

3 How diverse were public hospitals?

This chapter presents information on the different types of Australian public hospitals. The diversity of hospitals can be described in various ways. The information in this chapter includes:

- public hospital peer groups—which classify public hospitals into groups of similar hospitals—presented by state and territory, the location (remoteness area) of the hospital, and the types of services provided for 2016–17
- hospital size—the number of public hospitals by size (based on the number of average available beds), and state and territory for 2016–17
- the number of public hospitals (other than psychiatric) that provided specialised service units by state and territory, remoteness area of hospital and public hospital peer group for 2016–17
- the 20 most common specialised admitted patient clinical units (Service Related Groups)—representing clinical divisions of hospital activity—in public hospitals by remoteness area of hospital and public hospital peer group for 2016–17.

Key findings

How did public hospitals differ?

In 2016–17, the 695 public hospitals were diverse in size and the types of service they provided. They ranged from the 31 *Principal referral* hospitals to the 7 *Outpatient* hospitals and 22 *Psychiatric* hospitals.

All states and territories had at least one *Principal referral* hospital and at least one *Public acute group A* hospital. *Women's and children's* hospitals were located in New South Wales, Victoria, Queensland, Western Australia and South Australia. Specialist *Psychiatric* hospitals were located in New South Wales, Victoria, Queensland, Western Australia, South Australia and Tasmania.

All *Principal referral* hospitals had 24-hour emergency departments, outpatient clinics and provided elective surgery. On average, *Principal referral* hospitals had 659 beds.

Most *Public acute group A* hospitals had 24-hour emergency departments (60 out of 63), most provided elective surgery (58 out of 63) and all *Public acute group A* hospitals had *Non-admitted patient clinics*. On average, *Public acute group A* hospitals had an average of 276 available beds.

What specialised service units were provided?

In 2016–17, the most common specialised service units in public hospitals were *Domiciliary care* (provided by 373 public hospitals), *Nursing home care* (287 public hospitals) and *Obstetric/maternity services* (230 hospitals). There were 81 *Intensive care units (level III and above)*, and 29 *Neonatal intensive care units (level III and above)*.

3.1 How did public hospitals differ?

This section presents information by public hospital peer group. See Appendix C for more information on peer groups.

Public hospital peer groups

Public hospital peer groups are presented in Table 3.1. The table includes the average number of Australian Refined Diagnosis Related Group (AR-DRGs) reported for each group of hospitals, which is a gauge of the range of admitted patient services they provided.

In 2016–17, the 695 public hospitals comprised:

- 31 *Principal referral* hospitals (Table 3.1)—mainly located in *Major cities*, with at least 1 in each state and territory. They provided a very broad range of services and had very large patient volumes. Most include an intensive care unit, a cardiac surgery unit, a neurosurgery unit, an infectious diseases unit and a 24-hour emergency department. These hospitals accounted for 2.3 million separations (an average of almost 78,000 separations per hospital), or 36% of the total for public hospitals, and they accounted for 7.3 million patient days, or 35% of the total for public hospitals
- 12 *Women's and children's* hospitals—located in Sydney, Melbourne, Brisbane, Perth and Adelaide. They specialised in maternity and other specialist services for women, and/or specialist paediatric services. They accounted for 24,000 separations each, on average per hospital
- 63 *Public acute group A* hospitals—34 were located in *Major cities*, and 29 in *Regional* and *Remote* areas. They provided a wide range of services to a large number of patients. Most had an intensive care unit, a 24-hour emergency department (60) and a range of specialist units such as bone marrow transplant, coronary care and oncology units. They provided emergency department, outpatient and admitted patient services, generally with a range of activities less than for the *Principal referral* hospitals. They averaged 35,000 separations per hospital
- 44 *Public acute group B* hospitals—23 in *Major cities* and 21 in *Regional* and *Remote* areas. All had a 24-hour emergency department and most provided elective surgery. They provided a narrower range of services than the *Principal referral* and *Public acute group A* hospitals. They had a range of specialist units such as obstetrics, paediatrics, psychiatric and oncology units. They had an average of 18,500 separations per hospital
- 142 *Public acute group C* hospitals—mostly in *Regional* areas. These hospitals usually provided an obstetric unit, surgical services and some form of emergency facility. Generally smaller than the *Public acute group B* hospitals, they delivered mainly acute care for admitted patients, with an average of 4,000 separations per hospital, and a relatively narrow range of services
- 189 *Public acute group D* hospitals—mostly in *Regional* and *Remote* areas. They offered a smaller range of services relative to the other public acute hospitals (groups A–C). Hospitals in this group tend to have a greater proportion of non-acute separations compared with the larger acute public hospitals. They averaged 600 separations per hospital
- 123 *Very small* hospitals in *Regional* and *Remote* areas delivered a narrow range of services. On average, they accounted for fewer than 100 separations each year

- 22 *Psychiatric* hospitals—located in Sydney, Melbourne, Brisbane, Perth, Adelaide and Hobart, with 1 in regional New South Wales and 3 in regional Queensland centres. They specialised in providing psychiatric care and/or treatment for people with a mental disorder or psychiatric disability
- 38 *Subacute and non-acute* hospitals—including hospitals that primarily provided *Rehabilitation care*, as well as *Mixed subacute and non-acute* hospitals, that provided rehabilitation care, palliative care, geriatric evaluation and management, psychogeriatric care and non-acute (maintenance) care. They had an average of 1,700 separations per hospital
- 7 *Outpatient* hospitals—in *Regional* and *Remote* areas. They provided a range of non-admitted patient services. Generally, they do not admit patients
- 24 *Other* hospitals—this group is diverse and includes *Early parenting centres*, *Drug and alcohol hospitals*, *Same-day hospitals*, *Other acute specialised hospitals*, and unpeered hospitals.

How did public hospitals differ among states and territories?

The majority of public hospitals (86%) provided information about outpatient care provided for non-admitted patients to the National non-admitted patient care database (Table 3.2).

About 41% of public hospitals provided information about emergency department care to the National non-admitted patient emergency department care database.

About 15% of public hospitals had a level III (or higher) intensive care unit or neonatal intensive care unit.

The distribution of hospital services varies among jurisdictions. For example, about 17% of public hospitals reported providing formal emergency department care in Tasmania compared with 80% in New South Wales, All Northern Territory public hospitals provided non-admitted patient care in emergency departments and in outpatient clinics.

Table 3.1: Public hospitals by peer groups and selected characteristics, 2016–17

	Location				Services provided								
	Major cities	Total regional	Total remote	Total	Emergency department[a]	Non-admitted patient clinic[b]	Elective surgery[c]	Intensive care hours reported[d]	Average available beds	Separations[e] (average)	Average length of stay (days)	Non-acute care patient days (%)	AR-DRGs(5+)[f]
Principal referral	28	3	0	**31**	31	31	31	30	660	77,533	3.1	7.9	616
Women's and children's	12	0	0	**12**	9	12	12	9	211	23,733	2.9	1.6	253
Public acute group A	34	28	1	**63**	60	63	59	49	276	35,123	2.9	10.7	425
Public acute group B	23	20	1	**44**	44	44	42	12	138	18,499	2.6	15.7	277
Public acute group C	9	115	18	**142**	55	140	98	2	41	3,867	2.6	22.9	106
Public acute group D	4	133	52	**189**	58	167	10	0	16	563	4.2	32.8	24
Very small	0	84	39	**123**	24	87	0	0	8	81	11.2	51.6	2
Psychiatric	17	5	0	**22**	0	3	0	2	99	750	78.4	1.7	12
Subacute and non-acute[g]	27	11	0	**38**	0	33	0	1	66	1,724	13.3	89.9	41
Outpatient	0	3	4	**7**	5	6	0	0	2	46	3.8	0.2	1
Other[h]	22	2	0	**24**	1	15	4	1	35	5,182	2.0	8.3	29
Total	**176**	**404**	**115**	**695**	**287**	**601**	**256**	**106**	**89**	**9,478**	**3.2**	**14.1**	**120**

(a) This is the number of hospitals reporting episode-level emergency department presentations data to the National Non-admitted Patient Emergency Care Database (NNAPEDCD). Other hospitals may also provide emergency or urgent services on a less formal basis.

(b) This is the number of hospitals reporting non-admitted service events to the National Non-admitted Patient Care Database (NNAPC(agg)D).

(c) This is the number of hospitals reporting data to the National Elective Surgery Waiting Times Data Collection (NESWTDC).

(d) This is the number of hospitals that reported hours spent in *Intensive care units (level III and above)* or in *Neonatal intensive care units (level III and above)* to the NHMD. This figure may differ from the count of Specialised Services Units for Intensive care unit (Level III) and Neonatal intensive care unit (Level III) reported to the NPHED, and presented in tables 3.4, 3.5 and 3.6.

(e) Separations for which the care type was reported as *Newborn* (without qualified days), and records for *Hospital boarders* and *Posthumous organ procurement* are excluded.

(f) This is the average number of AR-DRGs for which there were at least 5 separations as reported to the NHMD. There are 807 individual AR-DRGs in AR-DRG version 8.0; this measure is an indication of the range of admitted patient services provided by the hospital.

(g) Includes hospitals specialising in rehabilitation, palliative care, psychogeriatric care, geriatric evaluation and management or maintenance care.

(h) Includes *Early parenting centres*, *Drug and alcohol* hospitals, *Same-day* hospitals, *Other acute specialised* hospitals, and unpeered hospitals.

Note: See boxes 1.2, 2.1 and 2.2 for notes on data limitations.

Source: NPHED.

Table 3.2: Summary of public hospital services, states and territories, 2016–17

	Services provided				
	Emergency department[(a)]	Non-admitted patient clinics[(b)]	Elective surgery[(c)]	Intensive care hours reported[(d)]	Total
New South Wales	177	212	93	45	222
Victoria	40	102	33	29	151
Queensland	27	119	51	8	123
Western Australia	18	86	32	11	91
South Australia	14	71	36	7	77
Tasmania	4	4	4	2	23
Australian Capital Territory	2	2	2	2	3
Northern Territory	5	5	5	2	5
Total	**287**	**601**	**256**	**106**	**695**

(a) This is the number of hospitals reporting episode-level emergency department presentations data to the NNAPEDCD. Other hospitals may also provide emergency or urgent services on a less formal basis.

(b) This is the number of hospitals reporting non-admitted service events to the NNAPC(agg)D.

(c) This is the number of hospitals reporting data to the NESWTDC.

(d) This is the number of hospitals that reported hours spent in *Intensive care units (level III and above)* or in *Neonatal intensive care units (level III and above)* to the NHMD. This figure may differ from the count of Specialised Services Units for *Intensive care unit (Level III)* and *Neonatal intensive care unit (Level III)* reported to the NPHED, and presented in tables 3.4, 3.5 and 3.6.

Notes

1. See boxes 1.2, 2.1 and 2.2 for notes on data limitations.
2. Similar information by peer groups within states and territories is available in tables that accompany this report online at <www.aihw.gov.au/hospitals>.

Where to go for more information

More information on public hospital peer groups is available:

- in Appendix C
- by state and territory in tables that accompany this report online at <www.aihw.gov.au/reports-statistics/health-welfare-services/hospitals/overview/>
- for those assigned to each public hospital in Table AS.1 accompanying this report online.

Information on data limitations and methods is available in appendixes A and B.

3.2 How did public hospitals differ in size?

Grouping hospitals by the number of available beds showed that the majority of hospitals (68%) were very small (fewer than 50 beds). For example, in Tasmania, 18 of their 23 hospitals had fewer than 50 available beds and these hospitals accounted for about 11% of Tasmania's available beds.

The majority of beds were in larger hospitals and in more densely populated areas (Table 3.3). The largest two hospitals—both located in Brisbane—had around 1,000 available beds each. Queensland had the highest proportion of available beds in larger hospitals, with 19 of their 123 hospitals having more than 200 beds and accounting for 75% of Queensland's available beds.

In contrast, the Northern Territory had no public hospitals with more than 500 beds or with 10 beds or fewer.

Table 3.3: Public hospitals, by hospital size, states and territories, 2016–17

	NSW	Vic[a]	Qld[b]	WA	SA	Tas	ACT	NT	Total
				Number of hospitals					
10 or fewer beds	23	39	32	45	19	13	0	0	171
More than 10 to 50 beds	120	52	59	24	39	5	1	2	302
More than 50 to 100 beds	28	20	7	5	9	2	0	1	72
More than 100 to 200 beds	23	18	6	8	4	1	0	1	61
More than 200 to 500 beds	20	15	13	7	4	2	1	1	63
More than 500 beds	8	7	6	2	2	0	1	0	26
All hospitals	**222**	**151**	**123**	**91**	**77**	**23**	**3**	**5**	**695**
				Average available beds[c]					
10 or fewer beds	73	242	226	229	118	69	. .	. .	956
More than 10 to 50 beds	3,044	1,201	1,435	596	875	77	26	54	7,308
More than 50 to 100 beds	1,946	1,497	510	347	611	179	. .	60	5,151
More than 100 to 200 beds	3,460	2,595	897	1,219	493	125	. .	183	8,973
More than 200 to 500 beds	6,812	4,747	4,332	2,165	1,270	854	303	367	20,851
More than 500 beds	5,812	4,384	4,813	1,319	1,449		781	. .	18,558
All hospitals	**21,147**	**14,667**	**12,213**	**5,876**	**4,816**	**1,304**	**1,110**	**664**	**61,797**

(a) The count of hospitals in Victoria is a count of the campuses that report data separately to the NHMD.

(b) The count of beds in Queensland was based on data as at 30 June 2017.

(c) This is the total of average available beds within each 'hospital size', not the average number of beds per hospital.

Note: See boxes 1.2, 2.1 and 2.2 for notes on data limitations.

Source: NPHED.

3.3 What specialised service units did public hospitals provide?

This section includes information on 32 types of admitted and non-admitted specialised units that were reported for each public hospital, based on data reported to the NPHED for 2016–17. It also includes information on the types of clinical units provided for admitted patients, based on data reported to the NHMD for 2016–17.

What specialised service units did public hospitals provide in 2016–17?

In 2016–17, the most common specialised service units offered by public hospitals were *Domiciliary care* (home-based care, provided by 373 hospitals), *Nursing home care unit* (287 hospitals) and *Obstetric/maternity services* (230 hospitals) (Table 3.4).

In 2016–17, 81 public hospitals had *Intensive care units (level III and above)*, 25 of which were in *Total regional* and *Total remote* areas. Twenty-nine public hospitals had *Neonatal intensive care units (level III and above)* and 6 of these were in *Total regional* areas (comprising *Inner regional* and *Outer regional* areas combined) areas.

Table 3.5 presents the specialised service units by public hospital peer group. All *Principal referral* hospitals had *Intensive care units (level III and above),* most had *Oncology* units, *Major plastic/reconstructive surgery* units and *Maintenance renal dialysis centres*. More than half of the *Domiciliary care* service units were in *Public acute group C* (101 hospitals) and *Public acute group D* hospitals (102 hospitals).

Data on the number of public hospitals that had any of the 32 specialised service units by state and territory are presented in Table 3.6.

The existence of a specialised service unit does not necessarily imply the delivery of large numbers of services in that unit.

Table 3.4: Number of public hospitals providing selected specialised service units, by remoteness area of hospital, 2016–17

	Remoteness area of hospital			
Specialised service unit	**Major cities**	**Total regional**	**Total remote**	**Total**
Domiciliary care service	70	246	57	373
Nursing home care unit	14	206	67	287
Obstetric/maternity service	66	143	21	230
Maintenance renal dialysis centre	80	101	20	201
Rehabilitation unit	91	67	2	160
Oncology unit	70	79	6	155
Intensive care unit (level III)	56	24	1	81
Major plastic/reconstructive surgery unit	44	5	1	50
Neonatal intensive care unit (level III)	23	6	0	29
In-vitro fertilisation unit	6	1	0	7
Total[(a)]	**176**	**404**	**115**	**695**

(a) As a hospital may have more than one specialised service unit, the rows do not sum to the total hospitals.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Source: NPHED.

Table 3.5: Number of public hospitals providing selected specialised service units, by public hospital peer group, 2016–17

Specialised service unit	Principal referral	Women's and children's	Public acute group A	Public acute group B	Public acute group C	Public acute group D	Very small	Psychiatric	Subacute and non-acute	Outpatient	Other	Total
Domiciliary care service	16	8	27	23	101	102	76	0	15	1	4	373
Nursing home care unit	1	0	6	2	53	104	105	1	11	3	1	287
Obstetric/maternity service	19	6	50	34	110	9	0	0	0	0	2	230
Maintenance renal dialysis centre	28	6	48	33	52	27	0	0	4	0	3	201
Rehabilitation unit	21	6	43	27	30	5	0	2	24	0	2	160
Oncology unit	30	10	51	17	42	0	0	0	1	0	4	155
Intensive care unit (level III)	31	6	36	8	0	0	0	0	0	0	0	81
Major plastic/reconstructive surgery unit	27	6	13	3	1	0	0	0	0	0	0	50
Neonatal intensive care unit (level III)	16	9	3	1	0	0	0	0	0	0	0	29
In-vitro fertilisation unit	4	2	1	0	0	0	0	0	0	0	0	7
Total public hospitals[(a)]	**31**	**12**	**63**	**44**	**142**	**189**	**123**	**22**	**38**	**7**	**24**	**695**

(a) As a hospital may have more than one specialised service unit, the rows do not sum to the total hospitals.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Source: NPHED.

Table 3.6: Number of public hospitals providing specialised service units, states and territories, 2016–17

Specialised services	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Acute renal dialysis unit	28	15	17	5	6	2	1	2	76
Acute spinal cord injury unit	2	2	1	1	1	0	0	0	7
AIDS unit	9	2	2	2	2	0	0	0	17
Alcohol and drug unit	73	12	21	3	3	1	1	0	114
Burns unit (level III)	3	2	2	2	2	1	0	0	12
Cardiac surgery unit	16	8	5	3	3	1	1	0	37
Clinical genetics unit	15	10	3	2	3	1	1	0	35
Coronary care unit	40	23	19	7	5	3	2	2	101
Diabetes unit	24	21	15	7	7	3	2	3	82
Domiciliary care service	109	98	42	57	65	0	1	1	373
Geriatric assessment unit	86	43	24	12	6	3	2	2	178
Hospice care unit	42	25	23	32	8	1	1	1	133
Infectious diseases unit	19	16	10	5	4	1	2	2	59
Intensive care unit (level III)	41	17	8	5	5	2	1	2	81
In-vitro fertilisation unit	3	1	1	1	0	0	0	1	7
Maintenance renal dialysis centre	68	66	29	14	17	2	1	4	201
Major plastic/reconstructive surgery unit	17	12	8	5	4	1	1	2	50
Neonatal intensive care unit (level III)	13	5	3	3	2	1	1	1	29
Neurosurgical unit	13	8	5	3	3	1	1	2	36
Nursing home care unit	71	89	19	47	51	10	0	0	287
Obstetric/maternity service	73	54	43	26	24	3	2	5	230
Oncology unit	47	44	20	16	21	3	2	2	155
Psychiatric unit/ward	55	36	23	17	13	4	2	2	152
Refractory epilepsy unit	10	5	2	3	2	0	0	0	22
Rehabilitation unit	63	41	21	17	10	3	2	3	160
Sleep centre	11	11	9	4	3	2	1	2	43
Specialist paediatric service	45	26	25	10	5	4	1	4	120
Transplantation unit-bone marrow	11	7	4	3	1	1	0	0	27
Transplantation unit-heart (including heart/lung)	1	2	1	2	0	0	0	0	6
Transplantation unit-liver	2	2	2	1	1	0	0	0	8
Transplantation unit-pancreas	1	3	0	0	0	0	0	0	4
Transplantation unit-renal	8	6	2	3	2	0	0	0	21
Total number of public hospitals[(a)]	**222**	**151**	**123**	**91**	**77**	**23**	**3**	**5**	**695**

AIDS—acquired immune deficiency syndrome.

(a) As a hospital may have more than one specialised service unit, the rows do not sum to the total hospitals.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Source: NPHED.

3.4 How many specialised admitted patient clinical units were there in 2016–17?

This section presents information about specialised admitted patient clinical units, based on the Service Related Groups (SRGs) classification.

The SRG classification categorises admitted patient episodes (sourced from the NHMD) into groups representing specialised clinical units or divisions of hospital activity. The SRG classification can be used to help plan services, to analyse and compare hospital activity, to examine patterns of service needs and access, and to project potential trends in services.

The method used to assign records to SRGs largely involves aggregations of AR-DRG information. However, the assignment of some separations to SRGs is based on other information, such as procedures, diagnoses and care type. Separations may also have been assigned to the specialist *Perinatology* SRG depending on whether or not the hospital had a neonatal intensive care unit (level III), as reported to the NPHED.

The number of public hospitals reporting more than 360 patient days in an SRG can be used as an indicative measure of the number of specialised clinical units, as it indicates that at least 1 bed was occupied for most of the year for the SRG.

The availability of specialised clinical units varied by both the remoteness area (of the hospital) and the peer group of the hospital.

More than 60% of *Drug and alcohol* specialised clinical units were located in *Major cities* and 54% of *Renal dialysis* specialised clinical units were in *Total regional* (comprising *Inner regional* and *Outer regional* areas combined) areas (Table 3.7).

All *Principal referral* hospitals, most *Public acute group A* hospitals and most *Public acute group B* hospitals reported at least 360 patient days for *General medicine*, *Respiratory medicine*, *Cardiology*, *Orthopaedics*, *Gastroenterology*, *General surgery* and *Neurology* (Table 3.8).

Where to go for more information

More information on services provided for non-admitted patients is available in:

- Emergency department care 2016–17: Australian hospital statistics (AIHW 2017b).
- Non-admitted patient care 2016–17: Australian hospital statistics (AIHW 2018c).

More information on services provided for admitted patients is available in *Admitted patient care 2016–17: Australian hospital statistics* (AIHW 2018a).

More information on the method used to allocate admitted patient records to SRGs is available in Appendix D.

More information on specialised clinical units by state and territory for public hospitals is available in tables accompanying this report online at <www.aihw.gov.au/reports-statistics/health-welfare-services/hospitals/overview>.

Information on data limitations and methods is available in appendixes A and B.

Table 3.7: Number of public hospitals reporting more than 360 patient days for the 20 most common specialised clinical units[a], by remoteness area[b] of hospital, 2016–17

	Remoteness area of hospital			
Service Related Group	Major cities	Total Regional	Total Remote	Total
27 General medicine	130	243	34	**408**
24 Respiratory medicine	103	187	20	**310**
87 Maintenance	79	141	22	**242**
49 Orthopaedics	103	125	8	**236**
11 Cardiology	94	126	7	**227**
15 Gastroenterology	102	115	8	**225**
84 Rehabilitation	109	91	1	**201**
21 Neurology	104	90	5	**199**
54 General surgery	102	77	7	**186**
23 Renal dialysis	78	84	10	**172**
16 Diagnostic gastrointestinal	87	79	4	**170**
72 Obstetrics	66	92	12	**170**
82 Psychiatry/mental health - acute	105	57	4	**167**
86 Palliative care	72	76	3	**151**
52 Urology	90	49	2	**141**
71 Gynaecology	89	48	4	**141**
81 Drug and alcohol	92	46	1	**139**
17 Haematology	85	51	1	**137**
44 Upper gastrointestinal surgery	86	48	2	**136**
51 Plastic and reconstructive surgery	79	42	2	**123**

(a) Specialised clinical units information was derived from the NHMD and based on the Service Related Groups classification.

(b) Information on the remoteness area of hospital was sourced from the NPHED, and was based on the ABS 2011 remoteness area classification.

Note: See boxes 1.2 and 2.1 for notes on data limitations. Additional information for states and territories is in tables accompanying this report online at <www.aihw.gov.au/reports-statistics/health-welfare-services/hospitals/overview>.

Sources: NPHED and NHMD.

Table 3.8: Number of public hospitals reporting more than 360 patient days for the 20 most common specialised clinical service units[(a)], by public hospital peer group[(b)], 2016–17

Service Related Group	Principal referral	Women's and children's	Public acute group A	Public acute group B	Public acute group C	Public acute group D	Very small	Psychiatric	Subacute and non-acute	Other[(c)]	Total
27 General medicine	31	9	63	43	133	88	9	12	11	9	**408**
24 Respiratory medicine	31	6	63	43	117	41	0	2	1	6	**310**
87 Maintenance	24	1	39	26	52	54	29	1	15	1	**242**
49 Orthopaedics	31	6	63	44	67	19	2	1	1	2	**236**
11 Cardiology	31	5	62	43	77	6	0	1	1	1	**227**
15 Gastroenterology	31	7	63	42	73	4	0	1	0	4	**225**
84 Rehabilitation	26	6	52	33	39	11	1	0	32	1	**201**
21 Neurology	31	6	62	43	43	3	0	6	3	2	**199**
54 General surgery	31	9	63	42	38	1	0	1	0	1	**186**
23 Renal dialysis	30	2	50	32	44	6	0	1	3	4	**172**
16 Diagnostic gastrointestinal	31	6	60	28	40	1	0	0	0	4	**170**
72 Obstetrics	20	8	52	32	56	1	0	0	0	1	**170**
82 Psychiatry/mental health - acute	31	7	55	24	15	0	0	19	11	5	**167**
86 Palliative care	28	2	41	20	31	6	2	0	21	0	**151**
52 Urology	31	7	61	29	11	0	0	0	0	2	**141**
71 Gynaecology	28	8	59	29	14	0	0	0	0	3	**141**
81 Drug and alcohol	31	6	58	24	6	0	0	11	0	3	**139**
17 Haematology	31	6	62	28	5	0	0	1	0	4	**137**
44 Upper gastrointestinal surgery	31	6	61	31	6	0	0	0	0	1	**136**
51 Plastic and reconstructive surgery	30	6	52	27	7	0	0	0	0	1	**123**
Number of hospitals in peer group[(a)(b)]	**31**	**12**	**63**	**44**	**142**	**189**	**123**	**22**	**38**	**24**	**695**

(a) Specialised clinical units information was derived from the NHMD and based on the Service Related Groups classification.

(b) As a hospital may have more than one specialised clinical service units, the rows do not sum to the total hospitals.

(c) Includes *Early parenting centres*, *Drug and alcohol* hospitals*, Same-day* hospitals, *Other acute specialised* hospitals, *Outpatient* hospitals and unpeered hospitals.

Note: See boxes 1.2 and 2.1 for notes on data limitations.

Sources: NPHED and NHMD.

4 Who funded hospitals and how much did hospitals spend?

This chapter includes information about funds received and spent by public and private hospitals. It includes:

- funding for public and private hospitals, for 2015–16 and between 2011–12 and 2015–16
- the number of public hospitals by funding designation by state and territory for 2016–17
- recurrent expenditure by public hospitals, by state and territory, for 2016–17, and between 2012–13 and 2016–17
- recurrent expenditure by private hospitals for 2015–16, and between 2011–12 and 2015–16.

See Box 4.1 for information on funding and expenditure.

Key findings

Hospital expenditure

In 2016–17, recurrent expenditure on public hospital services was about $67 billion (including depreciation), with about $21 billion of this amount reported at the LHN level or state/territory health authority level. After adjusting for inflation and for missing data, national recurrent expenditure on public hospital services increased by 3.2% between 2015–16 and 2016–17.

About 66% of total recurrent expenditure (excluding depreciation) was for salaries, wages, and superannuation (including payments to visiting medical officers). Medical, surgical and drug supplies accounted for 13% of recurrent expenditure and administrative expenses accounted for a further 5%.

It is estimated that more than half (54%) of public hospital recurrent expenditure was for admitted patient care, 20% for non-emergency non-admitted patient care, 9% for emergency care services and about 2% for *Direct teaching, training and research*.

In 2015–16, recurrent expenditure by private hospitals was more than $13 billion (ABS 2017).

Hospital funding

In 2015–16, public hospitals services were mainly funded by the Australian (39%) and state or territory (53%) governments In contrast; 68% of private hospital funding came from non-government sources.

Between 2011–12 and 2015–16, funding for public hospitals increased by 3.2% on average each year (after adjusting for inflation), from $46 billion in 2011–12 to $51 billion in 2015–16.

Over the same period, funding for private hospitals increased by 6.0% on average each year (after adjusting for inflation), from $13 billion in 2011–12 to $15 billion in 2015–16.

4.1 How were hospitals funded?

Public and private hospitals are funded from a range of different sources, reflecting the types of patients they treat and the services they provide (see Box 4.1). Emergency department and outpatient services are mainly funded by governments, whereas admitted patient services are commonly funded by both private (non-government) and government sources.

Box 4.1: Hospital funding

Hospital funding is reported here as the money provided for the overall public and private hospital systems within each jurisdiction and nationally. It includes expenditure by the Australian Government, state and territory governments, health insurance funds and individuals. For the purpose of this report, the sources of funding are disaggregated as:

- Australian Government (including funding via intergovernmental agreements, Department of Veterans' Affairs and private health insurance premium rebates)
- state and territory governments
- non-government sources (including private health insurance, injury compensation insurers, self-funded patients and other sources of private revenue).

The information in this section was sourced from the AIHW's Health Expenditure Database (HED), which draws data from a wide variety of government and non-government sources.

Hospital funding estimates can differ from hospital recurrent expenditure reported to the NPHED—for example, depending on the administrative structures and reporting practices in the jurisdiction.

This section presents information on who funded public and private hospitals for 2015–16, and between 2011–12 and 2015–16—expressed in both current and constant prices (see Box 4.2).

The original (or indirect) sources of funds are reported here rather than the immediate (or direct) sources. As such, the Australian Government is regarded as the source of funds for the contributions that it made for public hospitals via intergovernmental agreements, and for the contributions it made to private hospitals via the private health insurance premium rebates.

The financial data presented in tables 4.1 and 4.2 are sourced from the AIHW's HED (AIHW 2017c). Financial data reported for public hospital services from the HED for 2011–12 to 2015–16 are not directly comparable with the expenditure data reported from the NPHED for the same period. The HED financial data included trust fund expenditure, whereas the NPHED did not. The HED data for public hospital services reflect only that part of public hospitals' expenses that were used in providing hospital services. That is, they exclude expenses incurred in providing community and public health services, dental care, patient transport services and health research undertaken by public hospitals.

Changes over time

Between 2011–12 and 2015–16, after adjusting for inflation, public hospital funding rose by an average of 3.2% each year (Table 4.1). Funding from non-government sources increased by an average of 2.8% each year, funding from the Australian Government increased by 4.1% each year and funding from state and territory governments increased by 2.7% each year.

Between 2011–12 and 2015–16, private hospital funding rose by an average of 6.0% each year. Funding from non-government sources increased by an average of 9.1% each year, and funding from the state and territory governments increased by 13.9% each year. Funding from the Australian Government decreased by an average of 1.9% each year.

Box 4.2: What methods were used?

This chapter presents both current and constant prices for recurrent expenditure. The constant prices were derived from the current prices using a set of 'deflators'.

The constant prices reported from the HED in Table 4.1 used the ABS's Government Final Consumption Expenditure, State and Local—Hospitals and Nursing Homes deflator for both public and private hospitals, expressed in terms of prices in the reference year 2015–16.

For tables 4.5 and 4.6, the constant prices were derived from the current price data:

- for public hospitals, the ABS's Government Final Consumption Expenditure, State and Local—Hospitals and Nursing Homes deflator was used, expressed in terms of prices in the reference year 2015–16
- for private hospitals, the ABS's Household Final Consumption Expenditure deflator was used, expressed in terms of prices in the reference year 2015–16.

How were hospitals funded in 2015–16?

In 2015–16, the state and territory governments and the Australian Government provided most of the funds for public hospitals (Table 4.2); state and territory governments provided about 53% of public hospital funding and the Australian Government provided 37%.

In 2015–16, about 68% of private hospital funding was non-government, including:

- private health insurance funds (49%)
- individuals (or out-of-pocket expenses 12%)
- Other (7%).

The Australian Government provided about 26% of private hospital funding (including private health rebates [19%] and Department of Veterans' Affairs [5%]) and state/territory governments provided about 5% (AIHW 2017c).

Where to go for more information

More information on the funding of public and private hospital services is available in:

- Health expenditure Australia 2015–16 (AIHW 2017c)
- National Health Reform public hospital funding, National report June 2017 (ANHFP 2017).

Table 4.1: Funding sources for public and private hospital services, constant prices[(a)] ($ million), 2011–12 to 2015–16

						Change (%)	
	2011–12	2012–13	2013–14	2014–15	2015–16	Average since 2011–12	Since 2014–15
Public hospitals							
Australian Government	17,796	17,411	17,563	18,508	20,064	4.1	8.4
State/territory government	24,751	24,922	25,856	25,827	26,819	2.7	3.8
Non-government	3,853	4,247	4,268	4,558	4,181	2.8	–8.3
Total public hospitals	**46,400**	**47,688**	**47,688**	**48,893**	**51,064**	3.2	4.4
Private hospitals							
Australian Government	4,206	3,898	4,112	4,085	3,973	–1.9	–2.7
State/territory government	554	497	532	635	819	13.9	29.0
Non-government	7,911	8,550	8,954	9,767	10,282	9.1	5.3
Total private hospitals	**12,673**	**12,945**	**13,598**	**14,486**	**15,074**	**6.0**	**4.1**

(a) Expressed in terms of prices in the reference year 2015–16. The ABS Government Final Consumption Expenditure, State and Local—Hospitals and Nursing Homes deflator was used for both public and private hospitals.

Note: See boxes 4.1 and 4.2 and appendixes A and B for information on definitions, limitations and methods.

Source: Health expenditure Australia 2015–16 (AIHW 2017c).

Table 4.2: Expenditure on public and private hospitals ($ million), by source of funds, 2015–16

	Public hospitals		Private hospitals	
	$ million	% of total	$ million	% of total
Australian Government	*20,064*	*37.0*	*3,973*	*26.4*
Rebates of health insurance premiums	438	0.9	2,838	18.8
Department of Veterans' Affairs	739	1.4	807	5.4
Other	18,886	37.0	328	2.2
State/territory government	26,819	52.5	819	5.4
Health insurance funds	1,136	2.2	7,368	48.9
Individuals	1,419	2.8	1,855	12.3
Other	1,626	3.2	1,059	7.0
Total	**51,064**	**100.0**	**15,074**	**100.0**

Note: See boxes 4.1 and 4.2 and appendixes A and B for information on definitions, limitations and methods.

Source: Health expenditure Australia, 2015–16 (AIHW 2017c).

4.2 Commonwealth funding arrangements

Public hospitals differ in how they are funded by the Australian Government:

- activity-based funded (ABF) hospitals receive funding based on the amount and type of activity
- block-funded hospitals are those that are considered not suitable for activity-based funding due to the inability to meet the technical requirements of ABF reporting, a lack of economy of scale, or remoteness (IHPA 2016).

In consultation with jurisdictions, the Independent Hospital Pricing Authority (IHPA) develops block-funding criteria and identifies whether hospital services and functions are eligible for block-funding only, activity-based funding only or a mixture of activity-based and block funding.

In 2016–17, 282 public hospitals were designated as activity-based funded hospitals and 408 public hospitals as block-funded (Table 4.3). The funding designation was not assigned for 5 hospitals.

It should be noted that the funding designation information reported for the NPHED does not include a category for hospitals that are funded partly by activity-based and partly by block funding. For example, Royal North Shore Hospital is activity-based funded and was reported as such, but the dialysis unit at Royal North Shore Hospital was block funded.

Table 4.3: Public hospitals by Independent Hospital Pricing Authority funding designation[(a)], states and territories, 2016–17

	NSW	Vic[(b)]	Qld	WA	SA	Tas	ACT	NT	Total
Activity-based funded hospitals	96	89	36	28	24	3	2	4	282
Block-funded hospitals	126	58	87	63	53	19	1	1	408
Hospitals, funding not designated	0	4	0	0	0	1	0	0	5
Total	**222**	**151**	**123**	**91**	**77**	**23**	**3**	**5**	**695**

(a) The designation given by the Independent Hospital Pricing Authority may not reflect the funding received by the hospital for different types of services. For example, in some circumstances a hospital may receive both activity-based funding and block funding.

(b) The number of public hospitals in Victoria is reported as a count of the campuses that reported separately to the NHMD in 2016–17, and for which the IHPA funding designation was reported for the NPHED.

Source: NPHED.

4.3 How much recurrent expenditure was reported?

This section presents information on public and private hospital expenditure on salaries and wages and goods and services for 2016–17. It includes information on expenditure over time, in both current and constant prices (see boxes 4.2 and 4.3).

Total recurrent expenditure on public hospital services for all administrative levels in 2016–17 (by public hospitals, LHNs and state/territory health authorities, combined) is presented by category of expenditure. For each administrative level, the total amount of recurrent expenditure on public hospital services is also presented.

Recurrent expenditure can be categorised into salary and non-salary expenditure:

- **Salary expenditure** includes salaries and wages, payments to staff on paid leave, workers compensation leave and salaries paid to contract staff where the contract was for the supply of labour and where full-time equivalent staffing data were available.
- **Non-salary expenditure** includes payments to *Visiting medical officers*, superannuation payments, drug supplies, medical and surgical supplies (which includes consumable supplies only and not equipment purchases), food supplies, domestic services, repairs and maintenance, patient transport, administrative expenses, interest payments, depreciation and other recurrent expenditure.

Summary tables in this chapter report two expenditure totals for public hospitals—one that includes depreciation and another excluding depreciation.

Box 4.3: Hospital expenditure

Recurrent expenditure is the money spent by hospitals, local hospital networks and state/territory health authorities on the goods and services they use, such as salary payments, drugs, medical and surgical supplies.

Information on public hospital recurrent expenditure was sourced from the NPHED. In 2016–17, for all states and territories, the database included information on recurrent expenditure on public hospital services reported at the hospital-level, at the local hospital network level and at state/territory health authority level.

Information on private hospital recurrent expenditure was sourced from the ABS's PHEC.

Changes over time

Public hospitals

In 2016–17, total recurrent expenditure on public hospital services was $67 billion (including depreciation) (Table 4.4). About $54.8 billion recurrent expenditure was reported at the public hospital level, $6.8 billion at the LHN level and $2.2 billion at the state/territory health authority level.

After adjusting for inflation and for missing data, national recurrent expenditure on public hospital services increased by 3.2% between 2015–16 and 2016–17.

The total recurrent expenditure information presented from 2014–15 to 2016–17 is not comparable with the total recurrent expenditure information presented for 2012–13 and 2013–14. The data for 2014–15 to 2016–17 includes expenditure at the LHN level and at the state/territory health authority level (for 2014–15, excludes Queensland for both LHN level and at the state/territory health authority level). Therefore, percentage changes (increase or decrease) between 2012–13 and 2016–17 are not shown.

Table 4.4: Recurrent expenditure ($ million) (excluding depreciation), public hospitals, 2012–13 to 2016–17

						Change (%)		
	2012–13[a]	2013–14	2014–15[b]	2015–16[b]	2016–17[b][c]	Average since 2012–13	Since 2015–16	Adjusted change since 2015–16[d]
Public hospitals[e]								
Current prices	41,741	44,435	49,282	52,180	54,800	n.p.	n.p.	n.p.
Constant prices	46,071	47,626	51,389	53,136	54,800	n.p.	n.p.	n.p.
Local hospital network								
Current prices	n.a.	n.a.	2,861	6,098	6,772	n.p.	n.p.	n.p.
Constant prices[f]	n.a.	n.a.	2,983	6,210	6,772	n.p.	n.p.	n.p.
State/territory health authority								
Current prices	n.a.	n.a.	2,893	3,105	2,194	n.p.	n.p.	n.p.
Constant prices[f]	n.a.	n.a.	3,017	3,162	2,194	n.p.	n.p.	n.p.
All administrative levels								
Current prices	**41,741**	**44,435**	**55,036**	**61,382**	**63,767**	**n.p.**	**3.9**	**5.1**
Constant prices[f]	**46,071**	**47,626**	**57,389**	**62,508**	**63,767**	**n.p.**	**2.0**	**3.2**

(a) For 2012–13, expenditure data were missing for 3 public hospitals in Queensland, which reported about $540 million expenditure in 2013–14.

(b) For 2014–15 to 2016–17, recurrent expenditure includes expenditure at the LHN and state/territory health authority level (excluding Queensland for 2014–15). See Table 1.1 for information on the comparability of these data among states and territories.

(c) For 2016–17, estimated recurrent expenditure data were not available for Contracted Health Entities in Western Australia (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about $717 million expenditure (including depreciation) in 2015–16.

(d) After adjusting for the missing data for Western Australia, national recurrent expenditure on public hospital services increased by 5.1% in current prices and by 3.2% in constant prices between 2015–16 and 2016–17.

(e) Victorian recurrent expenditure data reported at the LHN level was attributed by the AIHW to public hospitals for this table.

(f) Expressed in terms of prices in the reference year 2016–17. The ABS Government Final Consumption Expenditure, State and Local—Hospitals and Nursing Homes deflator was used for public hospitals.

Note: See Table 1.1 and boxes 1.2 and 4.3 for notes on data limitations and methods.

Source: NPHED.

See Box 4.4 for more information on limitations of the data related to recurrent expenditure.

Table 4.5: Recurrent expenditure on public hospital services ($ million, constant prices)[(a)] (excluding depreciation), states and territories, 2012–13 to 2016–17

	2012–13	2013–14	2014–15	2015–16	2016–17
New South Wales					
Public hospital	14,785	15,007	16,320	16,723	16,927
Local hospital network	n.a.	n.a.	346	385	504
State/territory health authority	n.a.	n.a.	2,461	2,397	2,359
All administrative levels	*14,785*	*15,007*	*19,127*	*19,505*	*19,790*
Victoria[(b)]					
Public hospital	11,031	11,383	n.a.	n.a.	n.a.
Local hospital network	n.a.	n.a.	13,009	13,674	14,504
State/territory health authority	n.a.	n.a.	173	191	195
All administrative levels	*11,031*	*11,383*	*13,183*	*13,864*	*14,699*
Queensland[(c)]					
Public hospital	8,469	9,169	9,245	10,362	11,324
Local hospital network	n.a.	n.a.	n.a.	1,983	1,636
State/territory health authority	n.a.	n.a.	n.a.	32	31
All administrative levels	*8,469*	*9,169*	*9,245*	*12,377*	*12,991*
Western Australia[(d)]					
Public hospital	5,413	5,437	5,740	5,972	5,424
Local hospital network	n.a.	n.a.	2,467	2,580	3,141
State/territory health authority	n.a.	n.a.	538	536	–220
All administrative levels	*5,413*	*5,437*	*8,745*	*9,088*	*8,345*
South Australia[(e)]					
Public hospital	3,556	3,918	3,867	3,960	3,865
Local hospital network	n.a.	n.a.	0	0	0
State/territory health authority	n.a.	n.a.	22	24	25
All administrative levels	*3,556*	*3,918*	*3,889*	*3,984*	*3,890*
Tasmania[(f)]					
Public hospital	1,055	1,083	1,108	1,168	1,233
Local hospital network	n.a.	n.a.	190	176	207
State/territory health authority	n.a.	n.a.	0	0	0
All administrative levels	*1,055*	*1,083*	*1,298*	*1,344*	*1,440*
Australian Capital Territory[(f)]					
Public hospital	1,085	1,085	1,132	222	224
Local hospital network	n.a.	n.a.	0	1,274	1,283
State/territory health authority	n.a.	n.a.	0	0	0
All administrative levels	*1,085*	*1,085*	*1,132*	*1,495*	*1,507*

(continued)

Table 4.5 (continued): Recurrent expenditure on public hospital services ($ million, constant prices)[a] (excluding depreciation), states and territories, 2012–13 to 2016–17

	2012–13	2013–14	2014–15	2015–16	2016–17
Northern Territory[g]					
Public hospital	670	666	829	902	1,105
Local hospital network	n.a.	n.a.	0	0	0
State/territory health authority	n.a.	n.a.	0	0	0
All administrative levels	*670*	*666*	*829*	*902*	*1,105*
Total					
Public hospital	46,071	47,626	38,165	39,258	40,102
Local hospital network	n.a.	n.a.	16,033	20,072	21,275
State/territory health authority	n.a.	n.a.	3,191	3,178	2,390
All administrative levels	**46,071**	**47,626**	**57,389**	**62,508**	**63,767**

(a) Expressed in terms of prices in the reference year 2016–17. The ABS Government Final Consumption Expenditure, State and Local—Hospitals and Nursing Homes deflator was used for public hospitals.

(b) For 2012–13 to 2013–14, Victorian recurrent expenditure reported by hospitals and hospital networks did not include expenditure incurred at the LHN level or state health authority level. For 2014–15 to 2016–17, recurrent expenditure on public hospital services incurred at the hospital level was reported at the LHN level.

(c) For 2014–15, Queensland did not report any recurrent expenditure incurred at the LHN level or state health authority level. For 2012–13, expenditure data were not reported for 3 public hospitals in Queensland, which reported about $540 million of expenditure in 2013–14.

(d) For 2016–17, estimated recurrent expenditure data were not available for Contracted Health Entities in Western Australia (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about $717 million expenditure (including depreciation) in 2015–16.

(e) For South Australia, between 2012–13 and 2013–14, leave revaluations in other employee-related expenditure resulted in an apparent decrease in expenditure. In time series data, this may result in 2012–13 appearing to have an artificial reduction in expenditure. For 2014–15 to 2016–17, recurrent expenditure on public hospital services incurred at the LHN level were reported at either the hospital level or at the state health authority level.

(f) For the Australian Capital Territory for 2015–16 and 2016–17, data for The Canberra Hospital were included in data reported at the LHN level.

(g) For the Northern Territory for 2014–15 to 2016–17, recurrent expenditure incurred at the LHN level or the territory health authority level was reported at the hospital level.

Note: See Table 1.1 and boxes 1.2, 4.3 and 4.4 for notes on data limitations and methods.

Source: NPHED.

Box 4.4: What are the limitations of the data on expenditure on public hospital services?

Between 2012–13 and 2013–14, recurrent expenditure information on public hospitals reported to the NPHED was largely expenditure by hospitals and did not necessarily include all expenditure on hospital services by each state or territory government. For example, recurrent expenditure on the purchase of public hospital services at the state/territory or at the LHN level from privately owned and/or operated hospitals may not have been included.

Between 2014–15 and 2016–17, recurrent expenditure reported to the NPHED includes expenditure on public hospital services by public hospitals, by LHNs and by state/territory health authorities and includes expenditure on the provision of contracted care by private hospitals. For more information, see 'Data reported for the public hospital administrative levels' in Chapter 1, Table 1.1 and boxes 1.1 and 1.2. In addition:

- between 2014–15 and 2016–17, for the purpose of reporting recurrent expenditure on public hospital services by public hospital peer group in tables 4.4 and 4.8, the AIHW assigned the recurrent expenditure reported by Victoria at LHN level to the 'major hospital' in the LHN—identified as the hospital with the greatest amount of admitted patient activity in the LHN

(continued)

Box 4.4 (continued): What are the limitations of the data on expenditure on public hospital services?

- between 2013–14 and 2014–15, Queensland reclassified 46 very small reporting hospitals as non-hospital services that accounted for about $89 million of recurrent expenditure in 2013–14
- for 2012–13, Queensland was not able to report recurrent expenditure information for 3 hospitals that accounted for about $540 million of recurrent expenditure (excluding depreciation) in 2013–14. In addition, for 2012–13 to 2014–15, expenditure on pathology services for Queensland was not reported as these were purchased from a state-wide pathology service rather than being provided by hospital employees.
- for 2016–17, Western Australia, was not able to report estimated recurrent expenditure information for Contracted Health Entities (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported $717 million in recurrent expenditure (including depreciation) in 2015–16. After adjusting for missing data for Western Australia, national recurrent expenditure increased by 3.2% between 2015–16 and 2016–17.
- Tasmania reported estimated recurrent expenditure for all public hospitals.

Variation in expenditure on visiting medical officers may reflect differences in outsourcing arrangements. Variations in the outsourcing arrangements may also be reflected in variations in other recurrent expenditure categories reported in Table 4.7.

Capital expenditure is not reported in this publication. For 2014–15, 2015–16 and 2016–17, not all jurisdictions were able to report capital expenditure information using the *National health data dictionary:* version 16.2 (AIHW 2015c) categories and the comparability of the data were not adequate for reporting.

Private hospitals

For private hospitals, the recurrent expenditure data reported for 2015–16 are considered comparable with the data reported for 2011–12 to 2014–15. Recurrent expenditure for private hospitals in 2015–16 was more than $13 billion (Table 4.6). In constant price terms (adjusted for inflation), recurrent expenditure by private hospitals increased by an average of 4.9% each year between 2011–12 and 2015–16.

Table 4.6: Recurrent expenditure ($ million) (excluding depreciation), private hospitals, 2011–12 to 2015–16

						Change (%)	
	2011–12	2012–13	2013–14	2014–15	2015–16	Average since 2011–12	Since 2014–15
Current prices	10,043	10,630	11,351	12,359	13,139	6.9	6.3
Constant prices[(a)]	10,846	11,284	11,763	12,573	13,139	4.9	4.5

(a) Expressed in terms of prices in the reference year 2015–16. The ABS Household Final Consumption Expenditure—Hospital Services deflator was used for private hospitals.

Note: See Table 1.1 and boxes 1.2, 4.3 and 4.4 for notes on data limitations and methods.

Sources: Private hospitals Australia reports (ABS 2013, 2014, 2015, 2016, 2017).

How much recurrent expenditure was reported in 2016–17?

In 2016–17, recurrent expenditure on public hospital services was almost $67 billion (including depreciation, or $64 billion, excluding depreciation) (Table 4.7).

Salary payments (excluding *Superannuation*, *Payments to visiting medical officers* and payments for outsourced services) accounted for 59% of the total $64 billion (excluding depreciation) spent on public hospital services. *Superannuation* and *Payments to visiting medical officers* (7%, combined), *Medical and surgical supplies* and *Drug supplies* (13%, combined), *Administrative expenses* (5%) and *Depreciation* (4%) were other major expenditure items.

In 2016–17, *Depreciation* ranged from 2.8% of total expenditure in Tasmania to about 5.5% in Victoria.

In 2016–17, about 81% of recurrent expenditure on public hospital services was reported at the hospital level (excludes LHN-level reporting in Victoria, which is likely to be equivalent to the combination of hospital level and LHN level reporting for other jurisdictions) (Table 4.7).

Principal referral hospitals accounted for about 37% of recurrent expenditure on public hospital services and *Public acute group A* hospitals accounted for 26% (includes LHN level reporting in Victoria) (Table 4.8).

Salaries and wages expenditure (including superannuation) represented about two-thirds (66%, includes LHN-level data for Victoria) of total recurrent expenditure for all public hospitals (that is, excluding expenditure attributed to LHNs or state/territory health authorities). The lowest proportion of expenditure on salaries and wages was for *Public acute group C* hospitals (62%) and the highest was for *Subacute and non-acute* hospitals (75%).

Expenditure on *Medical and surgical supplies* accounted for 1% of expenditure in *Psychiatric* hospitals and 9% of expenditure in *Principal referral* hospitals.

About 33% of recurrent expenditure on public hospital services was reported at the LHN level and about 4% at the state/territory health authority level (includes data for Victoria) (Table 4.7).

At the state/territory health authority level, about 58% of expenditure was for salary and wages (including superannuation, Table 4.8). For LHNs, about 45% of expenditure was for salary and wages. LHNs accounted for about 37% of expenditure on *Patient transport* and 21% of *Lease costs*.

Where to go for more information

More detailed information on recurrent expenditure by the 3 administrative levels is available in tables accompanying this report online.

More information on hospital expenditure will be reported in *Health expenditure Australia 2016–17* (AIHW forthcoming).

Information on data limitations and methods is available in Table 1.1, and in appendixes A and B.

Table 4.7: Recurrent expenditure ($'000), public hospital services, states and territories, 2016–17

	NSW[(a)]	Vic	Qld	WA[(b)(c)]	SA	Tas	ACT	NT[(b)]	Total
Salary and wages									
Salaried specialist medical officers	1,054,875	1,350,008	977,638	n.a.	393,853	70,351	103,778	n.a.	n.a.
Other salaried medical officers	1,089,101	871,239	1,179,295	n.a.	251,941	161,801	97,570	n.a.	n.a.
Salaried medical officers–total	*2,143,977*	*2,221,247*	*2,156,933*	*1,157,912*	*645,794*	*232,152*	*201,348*	*204,859*	*8,964,223*
Registered nurses	n.a.	3,131,845	3,032,476	1,420,231	902,631	309,733	294,302	297,377	n.a.
Enrolled nurses	n.a.	395,688	264,879	0	147,504	39,481	19,207	11,332	n.a.
Student nurses	n.a.	2,035	5,214	0	2,798	0	0	0	n.a.
Trainee nurses	n.a.	2,003	87	0	0	0	0	0	n.a.
Nurses–total	*4,535,556*	*3,531,572*	*3,302,655*	*1,468,831*	*1,052,933*	*349,214*	*313,509*	*308,708*	*14,862,978*
Diagnostic and allied health professionals	2,024,554	1,353,366	1,009,338	598,070	200,775	95,976	106,966	67,185	5,456,229
Administrative and clerical staff[(d)]	1,855,091	1,127,576	1,096,162	711,204	222,257	107,361	133,914	71,724	5,325,289
Domestic and other staff	717,253	447,568	677,812	318,239	79,533	87,034	16,024	69,914	2,413,377
Other personal care staff	0	132,528	154,994	0	52,228	0	38,797	1,314	379,861
Total salary and wages expenditure	*11,276,430*	*8,813,857*	*8,397,894*	*4,254,256*	*2,253,521*	*871,736*	*810,557*	*723,704*	*37,401,957*
Non-salary expenditure									
Payments to visiting medical officers	772,381	186,138	78,848	137,610	111,340	2,682	49,857	23,247	1,362,103
Superannuation	1,009,083	779,748	725,374	381,563	204,377	98,934	107,001	0	3,306,080
Drug supplies	957,917	929,090	606,044	372,145	243,278	100,505	44,904	54,887	3,308,770
Medical and surgical supplies	1,716,803	940,853	1,375,330	495,276	233,442	98,199	86,568	54,662	5,001,133
Food supplies	293,674	132,801	67,252	30,023	21,424	9,583	7,148	5,007	566,913
Domestic services	374,751	169,493	314,424	185,424	108,167	21,491	38,937	17,132	1,229,820
Repairs and maintenance	464,166	177,235	322,758	261,219	82,492	19,347	22,377	25,274	1,374,868
Patient transport	167,955	71,303	172,444	195,229	29,459	13,836	2,853	32,463	685,543
Administrative expenses–insurance	0	15,116	97,568	40,981	4,155	13,741	2,079	15	173,655
Administrative expenses–other	935,372	443,129	560,675	422,487	203,784	43,655	121,297	84,160	2,814,560
Administrative–-total	*935,372*	*458,245*	*658,243*	*463,468*	*207,939*	*57,396*	*123,376*	*84,176*	*2,988,215*

(continued)

Table 4.7 (continued): Recurrent expenditure ($'000) on public hospital services, states and territories, 2016–17

	NSW[a]	Vic	Qld	WA[b]	SA	Tas	ACT	NT[b]	Total
Non-salary expenditure (continued)									
Interest payments	3,008	196,139	15,296	14,997	1,046	2	25	0	230,513
Depreciation–buildings	597,171	477,803	398,521	165,404	102,568	28,017	24,349	30,037	1,823,870
Depreciation–other	221,494	379,983	172,365	157,799	27,121	12,912	26,041	4,188	1,001,904
Depreciation–total	*818,664*	*857,787*	*570,886*	*323,203*	*129,689*	*40,929*	*50,390*	*34,225*	*2,825,774*
Lease costs	128,709	50,222	72,707	63,382	4,452	3,849	11,401	582	335,303
Other	18,644	110,902	8,151	10,010	72,995	14,206	1,254	40	236,200
Non-salary expenditure n.e.c.	1,671,090	1,683,127	176,141	1,480,633	315,493	128,217	200,477	84,134	5,739,313
Total non-salary expenditure	*9,332,217*	*6,743,083*	*5,163,899*	*4,414,180*	*1,765,594*	*609,177*	*746,569*	*415,829*	*29,190,547*
Total recurrent expenditure, excluding depreciation	**19,789,983**	**14,699,154**	**12,990,906**	**8,345,233**	**3,889,426**	**1,439,984**	**1,506,736**	**1,105,307**	**63,766,730**
Public acute hospitals	19,245,154	14,630,813	12,875,229	8,210,593	3,816,963	1,415,689	1,506,736	1,105,307	62,806,484
Public psychiatric hospitals	544,830	68,341	115,677	134,640	72,463	24,295	0	0	960,246
Total recurrent expenditure, including depreciation	**20,608,648**	**15,556,940**	**13,561,793**	**8,668,437**	**4,019,115**	**1,480,913**	**1,557,126**	**1,139,532**	**66,592,504**
Public acute hospitals	20,039,388	15,486,692	13,443,610	8,529,584	3,944,701	1,456,404	1,557,126	1,139,532	65,597,037
Public psychiatric hospitals	569,259	70,248	118,183	138,853	74,415	24,509	0	0	995,467
Total recurrent expenditure, including depreciation									
Public hospital-level[e]	*17,667,076*	*n.a.*	*11,849,866*	*5,662,379*	*3,994,409*	*1,270,608*	*229,147*	*1,139,532*	*41,813,017*
Local hospital network-level[f]	*511,910*	*15,356,454*	*1,681,247*	*3,194,091*	*0*	*210,305*	*1,327,979*	*0*	*22,281,987*
State/territory health authority-level[g]	*2,429,662*	*200,486*	*30,679*	*-188,033*	*24,707*	*0*	*0*	*0*	*2,497,500*
Total recurrent expenditure, including depreciation	**20,608,648**	**15,556,940**	**13,561,793**	**8,668,437**	**4,019,115**	**1,480,913**	**1,557,126**	**1,139,532**	**66,592,504**

(a) For New South Wales *Other personal care staff* are included in *Diagnostic and allied health professionals* and *Domestic and other staff*.

(b) For Western Australia and the Northern Territory, recurrent expenditure for *Salaried medical officers* includes both *Specialist medical officers* and *Other salaried medical officers*.

(c) Recurrent expenditure data were not available for Contracted Health Entities in Western Australia (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about $717 million expenditure (including depreciation) in 2015–16.

(d) *Administrative and clerical staff* may include staff working to support clinicians, such as ward clerks.

(e) The total at *Public hospital level* does not include Victorian recurrent expenditure incurred in public hospitals that was reported at the LHN level. It includes recurrent expenditure incurred at the LHN level for South Australia and at the LHN level and at state/territory health authority level for the Northern Territory.

(f) The total at *Local hospital network level* also includes Victorian recurrent expenditure incurred in public hospitals. It does not include recurrent expenditure incurred at the LHN level for South Australia and the Northern Territory.

(g) The total at *State/territory health authority level* does not include recurrent expenditure for the Northern Territory.

Note: See boxes 1.2, 4.3 and 4.4 for notes on data limitations and methods.

Source: NPHED.

Table 4.8: Recurrent expenditure ($'000), by public hospital peer group/other administrative level, 2016–17

	Principal referral	Women's and children's	Public acute group A	Public acute group B	Public acute group C	Public acute group D	Very small	Psychiatric	Subacute and non-acute	All public hospitals[a]	Local hospital network[b]	State/ territory health authority	Total
Salary and wages													
Salaried medical officers–total	*4,020,715*	*738,507*	*2,605,237*	*494,502*	*266,604*	*84,511*	*7,014*	*96,264*	*37,227*	*8,462,070*	*468,034*	*34,118*	*8,964,223*
Nurses–total	*5,628,021*	*920,300*	*4,374,414*	*931,176*	*998,491*	*403,257*	*143,977*	*358,441*	*138,239*	*14,030,972*	*817,607*	*14,399*	*14,862,978*
Diagnostic and allied health professionals	1,970,420	284,143	1,246,551	195,370	207,597	51,303	8,280	71,243	64,132	*4,230,551*	641,876	583,802	5,456,229
Administrative and clerical staff	1,709,798	312,888	1,242,939	267,506	278,536	101,591	30,257	85,613	31,421	*4,144,722*	677,525	503,042	5,325,289
Domestic and other staff	717,339	75,146	605,609	148,373	212,169	114,971	46,912	34,480	20,785	*1,996,809*	195,617	220,951	2,413,377
Other personal care staff	128,861	8,646	86,546	18,892	44,763	22,722	10,628	4,132	3,743	*329,194*	50,628	39	379,861
Total salary and wages expenditure	*14,175,153*	*2,339,630*	*10,161,295*	*2,055,819*	*2,008,160*	*778,355*	*247,069*	*650,174*	*295,547*	*33,194,319*	*2,851,287*	*1,356,351*	*37,401,957*
Non-salary expenditure													
Payments to visiting medical officers	295,605	37,749	457,645	172,410	253,870	53,244	9,830	10,900	2,775	*1,312,025*	49,996	82	1,362,103
Superannuation	1,265,286	204,491	882,102	187,525	174,390	69,627	22,258	59,389	22,822	*2,931,692*	287,885	86,502	3,306,080
Drug supplies	1,779,083	144,758	823,666	117,014	87,875	14,400	3,232	66,402	5,412	*3,108,295*	134,119	66,356	3,308,770
Medical and surgical supplies	2,194,670	211,302	1,446,130	298,494	199,534	38,481	6,051	8,200	7,242	*4,465,617*	509,023	26,492	5,001,133
Food supplies	190,275	22,310	178,089	42,312	50,502	29,301	9,363	14,914	10,495	*551,006*	15,637	270	566,913
Domestic services	469,062	60,868	313,097	82,681	94,431	44,354	15,255	23,146	10,009	*1,123,432*	103,306	3,082	1,229,820
Repairs and maintenance	478,138	56,206	301,267	75,766	95,175	43,360	15,637	19,641	11,422	*1,108,808*	190,042	76,018	1,374,868

(continued)

Table 4.8 (continued): Recurrent expenditure ($'000), by public hospital peer group/other administrative level, 2016–17

	Principal referral	Women's and children's	Public acute group A	Public acute group B	Public acute group C	Public acute group D	Very small	Psychiatric	Subacute and non-acute	All public hospitals[a]	Local hospital network[b]	State/ territory health authority	Total
Non-salary expenditure (continued)													
Patient transport	90,411	11,566	141,134	41,114	93,304	39,642	7,576	1,869	2,504	*430,283*	255,259	1	685,543
Administrative expenses–insurance	59,811	15,924	44,038	8,419	9,267	5,153	1,086	1,726	386	*146,642*	26,761	253	173,655
Administrative expenses–other	1,024,516	188,486	649,457	162,860	201,508	83,604	25,934	54,217	37,103	*2,484,447*	449,555	–119,442	2,814,560
Administrative–total	*1,084,327*	*204,410*	*693,495*	*171,279*	*210,775*	*88,757*	*27,020*	*55,943*	*37,489*	*2,631,088*	*476,315*	*–119,189*	*2,988,215*
Interest payments	48,053	73,562	10,993	61	916	417	208	16	7	*229,005*	1,202	307	230,513
Depreciation–buildings	725,580	69,951	525,144	96,977	140,211	71,620	27,954	29,890	9,462	*1,714,959*	91,693	17,219	1,823,870
Depreciation–other	351,653	93,760	223,780	30,162	51,438	14,699	7,094	5,331	4,527	*849,405*	61,835	90,663	1,001,904
Depreciation-total	*1,077,232*	*163,712*	*748,924*	*127,138*	*191,649*	*86,320*	*35,048*	*35,221*	*13,989*	*2,564,364*	*153,528*	*107,882*	*2,825,774*
Lease costs	83,079	9,720	61,269	19,297	20,210	10,778	1,877	3,288	3,147	*216,413*	71,913	46,977	335,303
Other	86,025	16,578	71,829	8,883	17,243	5,234	3,391	4,869	3,452	*218,996*	9,733	7,472	236,200
Non-salary expenditure, n.e.c.	1,227,517	280,368	881,445	168,564	198,809	61,503	23,826	41,495	12,328	*3,084,129*	1,816,287	838,896	5,739,313
Total non-salary expenditure[c]	*10,368,765*	*1,497,602*	*7,011,085*	*1,512,538*	*1,688,685*	*585,418*	*180,571*	*345,293*	*143,094*	*23,975,153*	*4,074,246*	*1,141,149*	*29,190,547*
Total recurrent expenditure, excluding depreciation[d]	**23,466,686**	**3,673,520**	**16,423,456**	**3,441,219**	**3,505,196**	**1,277,453**	**392,592**	**960,246**	**424,653**	***54,605,107***	**6,772,005**	**2,389,618**	**63,766,730**
Total recurrent expenditure, including depreciation[d]	**24,543,918**	**3,837,232**	**17,172,380**	**3,568,357**	**3,696,845**	**1,363,773**	**427,640**	**995,467**	**438,642**	***57,169,471***	**6,925,533**	**2,497,500**	**66,592,504**

(a) Includes *Early parenting centres*, *Drug and alcohol* hospitals, *Same-day* hospitals, *Other acute specialised* hospitals, *Outpatient* hospitals and unpeered hospitals.
(b) Victorian data reported at the LHN level were attributed by the AIHW to the peer group of the 'major hospital' (based on the amount of admitted patient activity) within each LHN, and therefore may be inaccurate.
(c) *Total non-salary expenditure* also includes administrative expenses, interest payments, depreciation, and other recurrent expenditure.
(d) Recurrent expenditure data were not available for Contracted Health Entities in Western Australia (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about $717 million expenditure (including depreciation) in 2015–16.

Note: See boxes 1.2, 4.3 and 4.4 for notes on data limitations and methods.
Source: NPHED.

4.4 How much was spent on different types of care in public hospitals?

This section presents information on public hospital expenditure for National Health Reform Agreement (NHRA) 2011 product streams in 2016–17. Estimates of public hospital recurrent expenditure were reported for:

- admitted patient care, including:
  - admitted acute care, including the care of unqualified newborns
  - admitted subacute care
  - other admitted care, including maintenance care
- non-admitted patient care, including:
  - emergency care services
  - non-admitted care (in-scope for NHRA)—non-admitted services that meet the definition of a service event:

    'an interaction between one or more health care providers with one non-admitted patient, which must contain therapeutic/clinical content and result in a dated entry in the patient's medical record.'
  - non-admitted care (out of scope for NHRA)—non-admitted services that do not meet the definition of a service event
- direct teaching, training and research
- aged care, including:
  - Commonwealth funded aged care—Australian Government funded aged care patients (including residential aged care and multi-purpose services)
  - other aged care—excluding Australian Government funded aged care patients
- other (out of scope for NHRA)—services not reported elsewhere.

A full description for each NHRA product stream is available in the AIHW's METeOR (METeOR identifier: 540184).

In 2016–17:

- *Admitted patient care* accounted for 54% of recurrent expenditure on public hospital services (Table 4.9), ranging from 42% for Western Australia to 71% for the Northern Territory
- *Non-admitted patient care* (including services both in and out of scope for the NHRA) accounted for about 20% of recurrent expenditure, ranging from 9% for Victoria to 33% for Queensland
- *Direct teaching, training and research* accounted for about 2% of recurrent expenditure, ranging from 0% in the Victoria to 4% in New South Wales, Western Australia and Tasmania.

Table 4.9: Estimated recurrent expenditure ($'000) (including depreciation) on public hospital services, by NHRA product streams, states and territories, 2016–17

	NSW	Vic	Qld	WA[a]	SA	Tas	ACT[b]	NT	Total
Admitted acute care	9,713,566	9,152,471	6,102,665	3,370,419	2,522,638	656,778	n.a.	757,039	32,275,577
Admitted subacute care	933,675	645,236	700,515	216,676	216,817	128,237	n.a.	33,246	2,874,402
Other admitted care	188,339	63,165	651,583	67,144	37,152	0	n.a	17,783	1,025,166
Admitted care–total	*10,835,581*	*9,860,873*	*7,454,763*	*3,654,239*	*2,776,606*	*785,015*	*n.a.*	*808,068*	*36,175,145*
Emergency care services	2,680,128	1,003,681	1,274,779	659,357	365,330	65,692	n.a	144,848	6,193,816
Non-admitted care (in-scope for NHRA)	4,118,126	1,371,355	4,373,322	1,599,934	644,705	170,898	n.a	164,196	12,442,535
Direct training, teaching and research	881,110	0	107,428	102,014	94,557	30,568	n.a	22,420	1,238,098
Aged care–total	113,357	835,671	254,972	124,463	0	27,145	n.a	0	1,355,609
Total in-scope for NHRA	*18,628,301*	*13,071,580*	*13,465,264*	*6,140,007*	*3,881,198*	*1,079,319*	*n.a*	*1,139,532*	*57,405,202*
Non-admitted care (out of scope for NHRA)	830,335	22,966	92,457	54,820	13,860	0	n.a.	0	1,014,438
Other (out of scope for NHRA)	1,150,012	2,462,394	4,071	2,460,576	124,057	399,469	n.a	0	6,600,579
Total out of scope for NHRA	*1,980,347*	*2,485,360*	*96,528*	*2,515,396*	*137,917*	*399,469*	*n.a*	*0*	*7,615,017*
Expenditure not allocated	0	0	0	13,042	0	2,125	1,557,126	0	1,572,293
Administrative level									
Public hospital-level	*17,667,076*	*n.a.*	*11,849,866*	*5,662,379*	*3,994,409*	*1,270,608*	*229,147*	*1,139,532*	*41,813,017*
Local hospital network-level	*511,910*	*15,356,454*	*1,681,247*	*3,194,091*	*0*	*210,305*	*1,327,979*	*0*	*22,281,987*
State/territory health authority-level	*2,429,662*	*200,486*	*30,679*	*-188,033*	*24,707*	*0*	*0*	*0*	*2,497,500*
Total recurrent expenditure (including depreciation)	**20,608,648**	**15,556,940**	**13,561,793**	**8,668,437**	**4,019,115**	**1,480,913**	**1,557,126**	**1,139,532**	**66,592,504**

(a) Recurrent expenditure data were not available for Contracted Health Entities in Western Australia (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about $717 million expenditure (including depreciation) in 2015–16.

(b) The Australian Capital Territory did not report recurrent expenditure broken down by NHRA product streams.

Source: NPHED, using data reported for the PHE NMDS and the LHN NBEDS.

5 How many people were employed?

This chapter presents information on the number of full-time equivalent (FTE) staff employed in providing public hospital services in 2016–17, and in private hospitals in 2015–16, and over time.

Information on FTE staff (and average salaries) employed in providing public hospital services is sourced from the NPHED. Information on FTE staff in private hospitals is sourced from the ABS' *Private hospitals Australia, 2015–16* (ABS 2017).

For public hospitals, total FTE staff numbers (and average salaries) from all administrative levels in 2016–17 (public hospitals, LHNs and state/territory health authorities, combined) is presented by category of staffing. For each administrative level, the total FTE staff numbers are also presented.

The information in this chapter includes the numbers of FTE staff:

- for public hospital services and their average salaries, by state and territory, over time and for 2016–17
- by public hospital peer group or other administrative level for 2016–17
- for private hospitals for 2015–16.

Key findings

Staff employed in providing public hospital services

Nationally, about 365,000 FTE staff were employed in providing public hospital services in 2016–17. After adjusting for missing data, it is estimated that there were about 369,000 full-time equivalent staff.

About 315,000 were employed in hospitals (including Victorian staff reported at the LHN level), 32,000 at the LHN level and 18,000 at the health authority level.

About 45% (142,000 FTE) of staff employed in public hospitals were *Nurses*, while the 42,000 FTE *Salaried medical officers* represented about 13% of the public hospital labour force.

About 41% of FTE staff (130,000) in the public hospital sector were employed in *Principal referral* hospitals and 31% in *Public acute group A* hospitals.

In LHNs and state/territory health authorities, *Administrative and clerical staff* (15,000) accounted for about 30% of staff.

Average salaries

In 2016–17, the average salary for FTE *Nurses* employed in providing public hospital services across all jurisdictions in 2016–17 was $98,200. The average salary for FTE *Salaried medical officers* was $202,200.

Between 2012–13 and 2016–17, average salaries for nurses and salaried medical officers employed in providing public hospital services increased by 2.2% and 2.6% on average each year, respectively.

Staff employed in private hospitals

Nationally, nearly 67,000 FTE staff were employed in Australia's private hospitals in 2015–16, including 37,500 *Nurses* (ABS 2017).

5.1 How many staff provided public hospital services?

This section presents information on staff employed in providing public hospital services over time and for 2016–17.

Changes over time

The numbers of FTE staff reported for the NPHED between 2012–13 and 2016–17 are shown in Table 5.1.

Due to changes in the scope of reporting, the information about staffing presented for 2014–15 to 2016–17 is not comparable with that presented for 2012–13 and 2013–14. See Box 5.1 for more information.

There was variation among states and territories in the administrative levels at which staffing information was reported (see Table 1.1 for more information). In addition:

- for 2014–15, 2015–16 and 2016–17, FTE staff employed at all administrative levels was reported, whereas previously only staff employed in public hospitals (and their associated expenditure) was included
- for Queensland, 2014–15 data were not available for staff employed at the LHN level or at the state/territory health authority level. In addition, between 2013–14 and 2014–15, Queensland reclassified 46 very small reporting hospitals as non-hospital services that accounted for about 460 FTE staff in total in 2013–14.

How many staff were employed in providing public hospital services in 2016–17?

Nationally, about 365,000 FTE staff were employed in providing public hospital services in 2016–17. After adjusting for missing data for Western Australia, it is estimated that there were about 369,000 full-time equivalent staff.

Almost 225,000 FTE staff were reported at the individual public hospital level in 2016–17, and a further 140,000 were reported at the LHN level or state/territory health authority level (Table 5.2).

The 151,000 *Nurses* accounted for 41% of staff employed in providing public hospital services. After allocating staffing data for Victoria to the public hospital level, it is estimated that, nationally, about 142,000 FTE *Nurses* were employed at the hospital level (LHN level reporting in Victoria is likely to be equivalent to the combination of hospital level and LHN level reporting for other jurisdictions, and so this estimate may be inaccurate). *Nurses* accounted for 45% of staff in public hospitals (Table 5.3).

Overall, there were 44,000 FTE *Salaried medical officers*, who represented about 12% of staff employed in providing public hospital services. About 42,000 FTE *Salaried medical officers* were employed at the hospital level, and these accounted for 13% of public hospital staff. About 29% of *Salaried medical officers* were reported as *Specialist salaried medical officers.*

Of the FTE staff (315,000) employed in providing public hospital services, 41% were employed in *Principal referral* hospitals, including 57,000 FTE *Nurses* (Table 5.3) and 20,000 *Salaried medical officers*. *Public acute group A* hospitals accounted for 31% of FTE staff.

The proportion of FTE staff in the *Nurses* category ranged from 44% in *Principal referral* hospitals to 56% in *Psychiatric* hospitals.

About 32% of FTE staff employed at state/territory health authority level and 28% of FTE staff employed at the LHN level were *Administrative and clerical staff*. See Table 1.1 for more information on the comparability of staffing information reported for the NPHED.

Box 5.1: What are the limitations of the data on staffing?

Staffing information for public hospitals for 2012–13 to 2013–14 was largely staff employed by individual hospitals, and did not include all staff employed by state or territory governments for the provision of public hospital services.

Between 2014–15 and 2016–17, staffing information reported to the NPHED includes FTE staff reported for public hospitals, for LHNs and for state/territory health authorities. For more information, see 'Chapter 1 Data reported for the public hospital administrative levels', Table 1.1 and boxes 1.1 and 1.2. In addition, for 2016–17:

- for the purpose of reporting staff employed in providing public hospital services by public hospital peer group in Table 5.3, the AIHW assigned the staffing information reported at LHN level by Victoria to the 'major hospital' in the LHN—identified as the hospital with the greatest amount of admitted patient activity in the LHN. Therefore, the numbers of staff employed by public hospital peer groups in Table 5.3 may be inaccurate.
- for Western Australia and the Northern Territory, *Salaried medical officers* were not disaggregated into *Specialist medical officers* and *Other salaried medical officers* as these sub-categories were not comparable with the data for other jurisdictions
- for 2016–17, Western Australia was not able to full-time equivalent staffing information for Contracted Health Entities (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported almost 4,000 FTE staff in 2015–16.
- in South Australia, all public hospital salaries for administrative, clerical, domestic and other personal care staff were estimated. However, total salary expenditure was actual (not estimated) for South Australian public hospitals.

For Victoria, all public hospital salary information was estimated. The collection of data by staffing category for public hospitals was not consistent among states and territories—for some jurisdictions, best estimates were reported for some staffing categories (see Appendix A). There was variation in the reporting of *Diagnostic and allied health professionals*, *Administrative and clerical staff* and *Domestic and other personal care staff*.

Staffing numbers can include staff on contract (for example, nurses and medical officers), but exclude staff contracted to provide products (for example, contractors employed to refurbish an area).

Different reporting practices and the use of outsourcing services with a large labour-related component (such as food services, domestic services and information technology) can have a substantial impact on staffing figures and may also explain some of the variation in average salaries reported between jurisdictions. The degree of outsourcing of higher paid versus lower paid staffing functions affects the comparison of averages. For example, outsourcing the provision of domestic services but retaining domestic service managers to oversee the activities of the contractors tends to result in higher average salaries for the domestic service staff. Information was not available on numbers of visiting medical officers who were contracted by public hospitals to provide services to public patients and paid on a sessional or fee-for-service basis in public hospitals.

Table 5.1: Average full-time equivalent staff[a], by staffing category, public hospital services, 2012–13 to 2016–17

						Change (%)	
	2012–13[b]	2013–14[c]	2014–15[d]	2015–16[d]	2016–17[e]	Average since 2012–13	Since 2015–16
Salaried medical officers–total[f]							
Public hospital	35,124	37,086	39,494	40,448	41,739	n.p.	3.2
Local hospital network	n.a.	n.a.	383	1,912	2,214	n.p.	15.8
State/territory health authority	n.a.	n.a.	2,112	2,209	390	n.p.	–82.3
All administrative levels	*35,124*	*37,086*	*41,989*	*44,569*	*44,343*	*n.p.*	*–0.5*
Nurses–total							
Public hospital	124,584	130,399	137,744	139,679	142,443	n.p.	2.0
Local hospital network	n.a.	n.a.	2,135	8,710	8,593	n.p.	–1.3
State/territory health authority	n.a.	n.a.	438	856	274	n.p.	–68.0
All administrative levels	*124,584*	*130,399*	*140,317*	*149,245*	*151,310*	*n.p.*	*1.4*
Diagnostic and allied health professionals							
Public hospital	38,753	41,074	41,941	42,915	45,597	n.p.	6.3
Local hospital network	n.a.	n.a.	1,980	6,250	6,908	n.p.	10.5
State/territory health authority	n.a.	n.a.	2,184	7,369	7,302	n.p.	–0.9
All administrative levels	*38,753*	*41,074*	*46,105*	*56,534*	*59,807*	*n.p.*	*5.8*
Administrative and clerical staff[g]							
Public hospital	42,839	44,336	47,751	49,079	50,436	n.p.	2.8
Local hospital network	n.a.	n.a.	3,520	8,677	8,700	n.p.	0.3
State/territory health authority	n.a.	n.a.	9,569	5,584	5,722	n.p.	2.5
All administrative levels	*42,839*	*44,336*	*60,840*	*63,340*	*64,858*	*n.p.*	*2.4*
Domestic and other personal care staff							
Public hospital	33,403	34,341	35,491	35,128	35,283	n.p.	0.4
Local hospital network	n.a.	n.a.	1,015	5,848	5,087	n.p.	–13.0
State/territory health authority	n.a.	n.a.	4,836	5,134	4,096	n.p.	–20.2
All administrative levels	*33,403*	*34,341*	*41,342*	*46,110*	*44,466*	*n.p.*	*–3.6*
Total							
Public hospital	**274,703**	**287,236**	**302,421**	**307,248**	**315,498**	**n.p.**	**2.7**
Local hospital network	**n.a.**	**n.a.**	**9,033**	**31,396**	**31,503**	**n.p.**	**0.3**
State/territory health authority	**n.a.**	**n.a.**	**19,138**	**21,151**	**17,785**	**n.p.**	**–15.9**
All administrative levels	***274,703***	***287,236***	***330,592***	***359,795***	***364,786***	***n.p.***	***1.4***

(a) Where average full-time equivalent staff numbers were not available, staff numbers at 30 June at the end of the reporting period were used. Staff contracted to provide products (rather than labour) are not included.

(b) For 2012–13, staffing data were missing for 3 public hospitals in Queensland, which reported about 3,700 full-time equivalent staff in 2013–14.

(c) Between 2013–14 and 2014–15, Queensland reclassified 46 very small reporting hospitals as non-hospital services that accounted for about 460 FTE staff in total in 2013–14. In addition, for 2013–14, data for 2 small hospitals in Tasmania were not supplied.

(d) For 2014–15 to 2016–17, staff employed in providing public hospital services at the LHN level or state health authority level were included (for 2014–15 excludes Queensland, for which the data were not available). Therefore, the staff numbers reported for 2015–16 to 2016–17 are not comparable with earlier years, and are not comparable with the data provided for 2014–15. See Table 1.1 for more information on the comparability of staffing information among states and territories.

(e) For 2016–17, full-time equivalent staff numbers were not available for Contracted Health Entities in Western Australia (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about 4,000 FTE staff in 2015–16.

(f) *Salaried medical officers* does not include non-salaried visiting medical officers.

(g) Administrative and clerical staff may include staff working to support clinicians, such as ward clerks.

Note: See Table 1.1 and boxes 1.2 and 5.1 for notes on data limitations.

Source: NPHED.

Table 5.2: Average full-time equivalent staff[a], by staffing category, public hospital services, states and territories, 2016–17

	NSW[b]	Vic[c]	Qld	WA[d][e]	SA	Tas[f]	ACT	NT[d]	Total
All levels of reporting									
Specialist salaried medical officers[g]	4,051	3,826	2,685	n.a.	1,004	306	289	n.a.	n.a.
Other salaried medical officers[g]	9,019	7,409	7,253	n.a.	1,980	643	675	n.a.	n.a.
Salaried medical officers—total[g]	*13,070*	*11,235*	*9,938*	*4,421*	*2,983*	*949*	*964*	*784*	*44,344*
Registered nurses	n.a.	34,174	27,841	13,106	8,765	3,094	2,864	2,376	n.a.
Enrolled nurses	n.a.	5,111	3,231	0	1,929	399	262	130	n.a.
Student nurses	n.a.	33	66	0	44	0	0	0	n.a.
Trainee nurses	n.a.	27	3	0	0	0	0	0	n.a.
Nurses—total	*47,426*	*39,345*	*31,141*	*13,537*	*10,738*	*3,493*	*3,126*	*2,505*	*151,310*
Diagnostic and allied health professionals	23,198	15,866	9,722	5,954	2,382	939	1,110	638	59,808
Administrative and clerical staff[h]	22,374	14,559	13,118	7,836	3,050	1,520	1,533	868	64,858
Domestic and other personal care staff	11,859	9,753	12,543	4,281	2,647	1,453	836	1,094	44,466
Total	**117,926**	**90,758**	**76,461**	**36,029**	**21,800**	**8,353**	**7,569**	**5,889**	**364,786**
Administrative level									
Public hospital[i]	*98,663*	*n.a.*	*63,416*	*26,787*	*21,800*	*7,022*	*1,164*	*5,889*	*224,740*
Local hospital network[j]	*2,601*	*90,343*	*13,032*	*8,134*	*0*	*1,331*	*6,405*	*0*	*121,846*
State/territory health authority[k]	*16,662*	*415*	*14*	*1,109*	*0*	*0*	*0*	*0*	*18,200*
Total	**117,926**	**90,758**	**76,461**	**36,029**	**21,800**	**8,353**	**7,569**	**5,889**	**364,786**

(a) Where average FTE staff numbers were not available, staff numbers at 30 June 2017 were used. Staff contracted to provide products (rather than labour) are not included.

(b) For New South Wales, *Other personal care staff* are included in *Diagnostic and allied health professionals* and *Domestic and other staff*.

(c) For Victoria, *Other personal care staff* were included in *Domestic and other staff*.

(d) For Western Australia and the Northern Territory, *Salaried medical officers* includes both *Specialist medical officers* and *Other salaried medical officers*.

(e) For 2016–17, full-time equivalent staff numbers were not available for Contracted Health Entities in Western Australia (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about 4,000 FTE staff in 2015–16.

(f) For Tasmania, data for *Other personal care staff* were not supplied separately and are included in other staffing categories.

(g) *Salaried medical officers* does not include non-salaried visiting medical officers.

(h) *Administrative and clerical staff* may include staff working to support clinicians, such as ward clerks.

(i) The total at *Public hospital level* does not include Victorian staff employed in public hospitals, as these were included at the LHN level. It includes staff employed at the LHN level and at *State/territory health authority* level for South Australia and the Northern Territory.

(j) The total at *Local hospital network level* includes Victorian staff employed in public hospitals. It does not include staff employed at the LHN level for South Australia and the Northern Territory.

(k) The total at *State/territory health authority level* does not include staff employed at the state/territory level for South Australia and the Northern Territory.

Note: See Table 1.1 and boxes 1.2 and 5.1 for notes on data limitations.

Source: NPHED.

Table 5.3: Average full-time equivalent staff[a], by staffing category and public hospital peer group/other administrative level, public hospital services, 2016–17

	Principal referral	Women's and children's	Public acute group A	Public acute group B	Public acute group C	Public acute group D	Very small	Psychiatric	Subacute and non-acute	All public hospitals[b]	Local hospital network[b]	State/territory health authority	Total
Specialist salaried medical officers[c][d]	5,969	1,056	3,638	580	283	82	8	187	71	12,142	551	267	12,960
Other salaried medical officers[c][d]	14,242	2,235	9,527	1,789	733	260	14	300	132	29,589	1,664	131	31,384
Salaried medical officers—total[d]	*20,211*	*3,291*	*13,166*	*2,369*	*1,016*	*342*	*22*	*487*	*203*	*41,731*	*2,214*	*398*	*44,344*
Nurses—total	*56,784*	*9,415*	*44,777*	*9,106*	*10,053*	*4,013*	*1,432*	*3,600*	*1,371*	*142,424*	*8,593*	*293*	*151,310*
Diagnostic and allied health professionals	21,073	3,032	13,345	2,001	2,290	548	101	757	716	45,379	6,908	7,520	59,808
Administrative and clerical staff[e]	20,055	3,830	15,488	3,192	3,546	1,241	381	997	354	50,270	8,700	5,888	64,858
Domestic and other personal care staff	12,141	1,300	10,706	2,427	4,117	2,286	942	598	372	35,279	5,087	4,100	44,466
Total[f]	**130,264**	**20,869**	**97,481**	**19,096**	**21,022**	**8,431**	**2,878**	**6,439**	**3,017**	**315,083**	**31,503**	**18,200**	**364,786**

(a) Where average FTE staff numbers were not available, staff numbers at 30 June 2017 were used. Staff contracted to provide products (rather than labour) are not included.

(b) The totals for FTE staff in this table for Public hospitals and LHN level differ from those in tables 5.1 and 5.2. Victorian staffing information reported at the LHN level was attributed by the AIHW to the peer group of the 'major public hospital' within each LHN, based on the amount of admitted patient activity, and therefore may be inaccurate.

(c) *Specialist salaried medical officers* includes data for *Salaried medical officers* reported by the Northern Territory and *Other salaried medical officers* includes data for *Salaried medical officers* reported by Western Australia.

(d) *Salaried medical officers* does not include non-salaried visiting medical officers.

(e) *Administrative and clerical staff* may include staff working to support clinicians, such as ward clerks.

(f) For 2016–17, full-time equivalent staff numbers were not available for Contracted Health Entities in Western Australia (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about 4,000 FTE staff in 2015–16.

Note: See boxes 1.2 and 5.1 for notes on data limitations.

Source: NPHED.

5.2 What was the average salary for staff providing public hospital services?

This section presents information on average salaries for FTE staff providing public hospital services in 2016–17, and over time for staff providing public hospitals services.

The average salary is calculated as total expenditure reported as salary for each category of staff, divided by the number of FTE staff in that category.

Changes over time

Between 2012–13 and 2016–17, the average salary for staff employed in providing public hospital services increased by 2.3% on average each year. Over the same period, public hospital average salaries for *Nurses* and *Salaried medical officers* increased by 2.2% and 2.6% on average each year, respectively.

Changes in average salary for staff providing public hospital services between 2012–13 and 2016–17 are affected by changes in the provision of staffing information and information about recurrent expenditure on salary and wages among jurisdictions. Therefore, these data should be interpreted with caution. See Box 5.1 for more information.

What were the average salaries for staff employed in providing public hospital services in 2016–17?

In 2016–17, the overall average FTE salary for staff providing public hospital services ranged from around $95,600 in New South Wales to $122,900 in the Northern Territory (Table 5.5).

The average salary for FTE *Nurses* ranged from around $90,000 in Victoria to about $123,000 in the Northern Territory. For FTE *Salaried medical officers*, the average salary ranged from about $164,000 in New South Wales to $261,000 in the Northern Territory.

Table 5.4: Average salaries[a] ($, current prices), for full-time equivalent staff employed in providing public hospital services, 2012–13 to 2016–17

						Change (%)	
	2012–13[b]	2013–14[b]	2014–15[c]	2015–16[c]	2016–17[c][d]	Average since 2012–13	Since 2015–16
Salaried medical officers–total[e]	182,609	188,493	187,549	193,464	202,153	2.6	4.5
Nurses–total	89,971	91,232	93,907	96,199	98,229	2.2	2.1
Diagnostic and allied health professionals	79,961	83,622	105,960	95,706	91,230	3.4	–4.7
Administrative and clerical staff[f]	68,122	70,235	73,067	79,934	82,106	4.8	2.7
Domestic and other personal care staff	63,209	62,478	58,936	58,937	62,818	–0.2	6.6
Total	**93,742**	**96,023**	**99,273**	**100,531**	**102,531**	**2.3**	**2.0**

(a) The average salary is calculated as total expenditure reported as salary for each category of staff, divided by the number of FTE staff in that category.

(b) For 2012–13 and 2013–14, staffing information did not include staff employed at the LHN level or state/territory health authority level.

(c) For 2014–15 to 2016–17, staff employed in providing public hospital services at the LHN level or state/territory health authority level were included. Therefore, the average salaries reported for 2014–15 to 2016–17 are not comparable with the average salaries reported for 2012–13 and 2013–14.

(d) For 2016–17, full-time equivalent staff numbers and the associated salary expenditure were not available for Contracted Health Entities in Western Australia (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about 4,000 FTE staff in 2015–16.

(e) *Salaried medical officers* does not include non-salaried visiting medical officers.

(f) *Administrative and clerical staff* may include staff working to support clinicians, such as ward clerks.

Note: See boxes 1.2 and 5.1 for notes on data limitations.

Source: NPHED.

Table 5.5: Average salaries[(a)] ($), full-time equivalent staff[(b)], public hospital services, states and territories, 2016–17

	NSW[(c)]	Vic[(d)]	Qld	WA[(e)(f)]	SA[(g)]	Tas[(h)]	ACT	NT[(e)]	Total
Specialist salaried medical officers[(i)]	260,424	352,851	364,151	n.a.	392,463	230,273	359,095	n.a.	320,628
Other salaried medical officers	120,756	117,592	162,599	n.a.	127,253	251,514	144,548	n.a.	153,228
Salaried medical officers—total[(i)]	*164,043*	*197,708*	*217,051*	*261,884*	*216,463*	*244,675*	*208,868*	*261,300*	*202,153*
Registered nurses	n.a.	91,644	108,920	108,367	102,977	100,102	102,759	125,159	n.a.
Enrolled nurses	n.a.	77,419	81,987	. .	76,465	99,038	73,308	87,166	n.a.
Student nurses	n.a.	n.p.	n.p.	. .	n.p.	. .	. .	. .	n.a.
Trainee nurses	n.a.	n.p.	n.p.	. .	. .	. .	. .	. .	n.a.
Nurses—total	*95,635*	*89,759*	*106,055*	*108,508*	*98,056*	*99,981*	*100,291*	*123,237*	*98,229*
Diagnostic and allied health professionals	87,275	85,300	103,824	100,448	84,300	102,228	96,366	105,305	91,230
Administrative and clerical staff[(j)]	82,911	77,449	83,559	90,758	72,882	70,644	87,354	82,632	82,106
Domestic and other personal care staff	60,483	59,479	66,397	74,338	49,769	59,913	65,575	65,107	62,818
Total	**95,623**	**97,114**	**109,832**	**118,078**	**103,372**	**104,364**	**107,089**	**122,891**	**102,531**

(a) The average salary is calculated as total expenditure reported as salary for each category of staff, divided by the number of FTE staff in that category.

(b) Where average FTE staff numbers were not available, staff numbers at 30 June 2017 were used. Staff contracted to provide products (rather than labour) are not included.

(c) For New South Wales *Other personal care staff* are included in *Diagnostic and allied health professionals* and *Domestic and other staff*.

(d) For Victoria, *Other personal care staff* were included in *Domestic and other staff*.

(e) For Western Australia and the Northern Territory, the average salaries for *Specialist salaried medical officers* and *Other salaried medical officers* are not available as all salaried medical officers were reported together.

(f) For 2016–17, full-time equivalent staff numbers and the associated salary expenditure were not available for Contracted Health Entities in Western Australia (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about 4,000 FTE staff in 2015–16.

(g) For South Australia, all public hospital salaries for administrative, clerical, domestic and other personal care staff were estimated. However, total salary expenditure was actual (not estimated) for South Australian public hospitals.

(h) For Tasmania, data for *Other personal care staff* were not supplied separately and are included in other staffing categories.

(i) *Salaried medical officers* does not include non-salaried visiting medical officers.

(j) *Administrative and clerical staff* may include staff working to support clinicians, such as ward clerks.

Note: See Table 1.1 and boxes 1.2 and 5.1 for notes on data limitations.

Source: NPHED.

5.3 How many staff worked in private hospitals?

Information on the staff employed in Australian private hospitals in 2015–16 was published in *Private hospitals Australia 2015–16* (ABS 2017), which found that:

- between 2011–12 and 2015–16, the number of FTE staff in private hospitals rose by 3.8% on average each year
- between 2014–15 and 2015–16, the number of FTE staff in private hospitals rose by 3.7% from 64,400 to 66,800.

In 2015–16:

- 93% of private hospital staff (62,000 FTEs) worked in private hospitals that did not specialise in same-day care
- 1,300 FTE *Salaried medical professionals* were reported by private hospitals. As a proportion of all staff employed by private hospitals, *Salaried medical professionals* made up 2% of FTE staff in private hospitals
- 37,500 FTE *Nurses* were reported by private hospitals. *Nurses* made up 53% of FTE staff in private free-standing day hospital facilities and 56% of FTE staff in private hospitals that did not specialise in same-day care
- for private free-standing day hospital facilities, other staff included:
  - *Administrative and clerical staff* (25% of FTE staff)
  - *Diagnostic and allied health staff* (9%)
  - *Clinical support staff* (6%)
  - *Domestic and other staff* (4%).
- for private hospitals that did not specialise in same-day care, other staff included:
  - *Domestic and other staff* (15% of FTE staff)
  - *Administrative and clerical staff* (14%)
  - *Clinical support staff* (7%)
  - *Diagnostic and allied health professionals* (6%).

Where to go for more information

More information on the health workforce is available at <www.aihw.gov.au/workforce/>.

More information on private hospitals is available in the ABS's report *Private hospitals Australia 2015–16* at <www.abs.gov.au/ausstats/abs@.nsf/mf/4390.0>.

Appendix A: Data quality statement summary

This appendix includes a data quality summary and additional information relevant to interpreting the National Public Hospital Establishments Database (NPHED).

It also contains information on changes that may affect interpreting the data presented in this report, including variations in reporting and in the categorisation of hospitals as public or private.

A complete data quality statement for the NPHED is available online at <meteor.aihw.gov.au>.

Information relevant to interpretation of the ABS's *Private hospitals Australia* (ABS 2017) is available on the ABS website at <http://www.abs.gov.au/ausstats/abs@.nsf/mf/4390.0>.

National Public Hospital Establishments Database

For 2016–17, the NPHED is based on the Public hospital establishments National Minimum Data Set (PHE NMDS) and the Local hospital network National Best Endeavours Data Set (LHN NBEDS).

The reference period for this data set is 1 July 2016 to 30 June 2017.

Public hospital establishments National Minimum Data Set

The PHE NMDS is defined in the *National health data dictionary*, versions 16, 16.1 and 16.2 (AIHW 2012, 2015b, 2015c) and in the AIHW's METeOR (METeOR identifier 615835).

The purpose of the PHE NMDS is to collect information on the characteristics of public hospitals. Information is included on hospital resources (beds, staff and specialised services), recurrent expenditure (including depreciation), capital expenditure and revenue.

The scope of the PHE NMDS is establishment-level data for public acute and psychiatric hospitals, and alcohol and drug treatment centres.

The NPHED holds establishment-level data based on the PHE NMDS for each public hospital in Australia, including public acute hospitals, psychiatric hospitals, drug and alcohol hospitals and dental hospitals in all states and territories. Hence, public hospitals not administered by the state and territory health authorities (hospitals operated by correctional authorities for example, and hospitals in offshore territories) are not included. The collection does not include data for private hospitals, except those providing public hospital services.

Local hospital network National Best Endeavours Data Set

The LHN NBEDS is defined in the *National health data dictionary*, versions 16.1 and 16.2 (AIHW 2015b, 2015c) and in the AIHW's METeOR (METeOR identifier 618892).

The purpose of the LHN NBEDS is to collect information on revenue, recurrent expenditure, recurrent expenditure on contracted care and staffing information, at the level relevant to public hospital service management and/or provision, using the same specifications as defined for the PHE NMDS. In addition, the LHN NBEDS includes data elements to allow the reporting of capital expenditure.

The scope of the LHN NBEDS is:

- Local hospital networks
- all public hospital services that are managed by a state or territory health authority and are included in the General list of In-scope Public Hospital Services, which was developed under the National Health Reform Agreement (2011).

Excluded from the LHN NBEDS scope are establishments that report to the PHE NMDS.

Local hospital networks are defined as those entities recognised as such by the relevant state or territory health authority.

The data reported for the LHN NBEDS are in addition to the data reported for the PHE NMDS. Where possible, information collected for both the PHE NMDS and the LHN NBEDS have been reported at the lowest level of reporting possible (for example, by hospital establishment), and is not duplicated at higher levels of reporting. For example, expenditure data reported at the state/territory health authority level does not include any data reported at the LHN level or at hospital level.

The NPHED holds LHN-level data and state/territory health authority-level data based on the LHN NBEDS.

Before 2016–17, this collection was named the Local hospital network Data Set Specification (LHN DSS).

Summary of key issues

- In 2016–17, the NPHED included all public hospitals. It also included LHN-level and/or state/territory health authority-level reporting for all states and territories.
- In 2016–17, there was variation among states and territories in the administrative levels at which revenue, recurrent expenditure and staffing information were reported, including:
  - New South Wales reported this information for all 3 administrative levels.
  - Victoria reported information at the LHN and state health authority level, and none at the public hospital level. Before 2014–15, Victoria reported this information at the network level for hospitals within networks that consisted of more than one hospital, and at the hospital level for LHNs that consisted of individual hospitals. Victoria has not collected data at the hospital-level since 2014–15; data are therefore reported as not available in the relevant tables.
  - LHN-level reporting in Victoria is therefore likely to be equivalent to the combination of hospital level and LHN-level reporting for other jurisdictions.
  - Queensland reported this information for all 3 administrative levels.
  - Western Australia reported this information for all 3 administrative levels.
  - South Australia reported recurrent expenditure information at the hospital level only. Data attributable to the LHN level and state health authority level were included in the data provided at the hospital level.
  - Tasmania reported this information at the hospital level and at the LHN level.
  - The Australian Capital Territory reported this information at the hospital and LHN levels. Data reported at the LHN level include information for The Canberra Hospital. Data attributable to the territory health authority level were included in the data provided at the hospital and LHN levels. ACT Health is continuing to improve its data quality following its system-wide data review.

  - The Northern Territory reported this information at the hospital level and data attributable to the LHN level and territory health authority level were included in the data reported at the hospital level.
- The number of hospitals reported can be affected by administrative and/or reporting arrangements and is not necessarily a measure of the number of physical hospital buildings or campuses. For example:
  - between 2013–14 and 2014–15, 46 very small reporting hospitals in Queensland and 3 establishments in South Australia that were previously classified as hospitals were reclassified as non-hospital facilities, accounting for most of the decrease in the national number of public hospitals. In addition, the Mater Children's Hospital and Royal Children's Hospital (both in Queensland) closed. A hospice in New South Wales and an aged care/rehabilitation facility in Victoria ceased reporting as separate campuses to the NPHED
  - for 2014–15, the Lady Cilento Children's Hospital (Queensland), the Fiona Stanley Hospital (Western Australia), and the Ursula Frayne Centre (Victoria) opened. Rankin Park Hospital (New South Wales) commenced reporting as a separate campus, whereas its data were previously amalgamated with another hospital
  - for 2015–16, Byron Central Hospital (New South Wales) opened, and Byron Bay Hospital closed—both hospitals were reported for 2015–16. Nolan House, Albury (New South Wales) commenced reporting as a separate campus, whereas its data were previously amalgamated with Albury Hospital. The St John of God Midland Public Hospital (Western Australia) opened and Swan District Hospital closed—both hospitals were reported
  - for 2016–17, the Sunshine Coast University Hospital (Queensland) commenced reporting. St Vincent's Lismore, Cudal War Memorial Hospital, Rankin Park Hospital (New South Wales), and Next Step Drug and Alcohol Services, and the Royal Perth Hospital Shenton Park Campus (Western Australia) ceased reporting.
- For 2016–17, Western Australia was not able to report complete data for Contracted Health Entities (Peel Health Campus, Joondalup Health Campus and St John of God Midland Public Hospital), which reported about $717 million expenditure (including depreciation) and 4,000 FTE staff in 2015–16.
- For 2012–13, Queensland was not able to report complete data for 3 public hospitals in Brisbane. In 2013–14, these hospitals reported about $540 million in recurrent expenditure and about 3,700 full-time equivalent staff.
- In 2014–15, Tasmania reclassified a number of mental health, aged care and same-day beds in hospitals, resulting in an apparent increase of 103 beds between 2013–14 and 2014–15. After adjusting for this change in classification, Tasmania estimates that average available beds in Tasmanian hospitals increased by about 0.8% between 2013–14 and 2014–15.
- Differences in accounting, counting and classification practices across jurisdictions and over time may affect the comparability of these data. There was apparent variation between states and territories in the reporting of revenue, recurrent expenditure, depreciation, available beds and staffing categories.
- *Capital expenditure*, *Available beds for admitted contracted care* and *Recurrent expenditure on contracted care* are not reported in this publication. For 2014–15, 2015–16 and 2016–17, not all jurisdictions were able to report these data, and the comparability of the data was not adequate for reporting.

- *Revenue* data are not reported because the data provided by states and territories for the category *National Health Funding Pool* differed from the 2016–17 funding reported by the National Health Funding Body (NHFB). These differences may be because:
  - the NHFB figures represent payments into the pool, not payments to service providers
  - there are differences in the timing of the reported data.
- The range and types of patients treated by a hospital (casemix) can affect the comparability of bed numbers with, for example, different proportions of beds being available for special and more general purposes.
- The collection of data by staffing category is not consistent among states and territories.
- The outsourcing of services with a large labour-related component (such as food services and domestic services) can have a substantial impact on estimates of costs, and this can vary among jurisdictions.

Estimated data indicators

Estimated data indicators are required for the data element *Beds for admitted contracted care* and for each category in *Salary and wage expenditure*, *Non-salary expenditure* and *Revenue*. Estimated data indicators specify whether the information reported reflected actual data, or estimated data.

Table A1 presents an overview of the use of estimated data by states and territories in 2016–17. At the public hospital level:

- Tasmania provided estimates for *Revenue* items for all 23 public hospitals
- South Australia, provided estimates for all public hospital salaries for administrative, clerical, domestic and other personal care staff. However, total salary expenditure was actual (not estimated) for South Australian public hospitals
- Victoria provided estimates for *Salary and wage expenditure*, *Non-salary expenditure* and *Revenue* for 3 LHNs.

Table A1: Summary of data sourced from estimates, by category, states and territories, 2016–17

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Salary expenditure								
Specialist medical officers, nurses, diagnostic and allied health professionals	Actual	Estimate	Actual	Actual	Actual	Actual	Actual	Actual
Administrative, clerical, domestic and other personal care staff	Actual	Estimate	Actual	Actual	Estimate	Actual	Actual	Actual
Total	*Actual*	Estimate	*Actual*	*Actual*	*Actual*	*Actual*	*Actual*	*Actual*
Non-salary expenditure	Actual	Estimate	Actual	Actual	Actual	Actual	Actual	Actual
Total recurrent expenditure	Actual	Estimate	Actual	Actual	Actual	Actual	Actual	Actual
Revenue	Actual	Estimate	Actual	Actual	Actual	Estimate	Actual	Actual
Beds for admitted contracted care	Estimate	Not reported	Estimate	Actual	Actual	Estimate	Actual	Actual

Source: NPHED.

Public and private hospitals

There is some variation between jurisdictions as to whether hospitals that predominantly report public hospital services, but are privately owned and/or operated, are reported in NPHED and this report. A list of such hospitals is in Table A2Reports produced by other agencies may categorise these hospitals differently.

For example, Peel and Joondalup hospitals are private hospitals that predominantly treat public patients under contract to the Western Australian Department of Health.

Lists of all public and private hospitals contributing to this report are in tables A.S1 and A.S2 accompanying this report online at <www.aihw.gov.au/hospitals>.

Table A2: Hospitals that predominantly provided public hospital services and included in this report that were privately owned and/or operated, 2016–17

State/Territory	Hospital
New South Wales	Hawkesbury District Health Service
Victoria	Mildura Base Hospital
Queensland	Mater Adult Hospital
	Mater Mother's Hospital
Western Australia	Joondalup Health Campus
	Peel Health Campus
	St John of God Midland Public Hospital
South Australia	McLaren Vale and Districts War Memorial Private Hospital
Tasmania	May Shaw District Nursing Centre
	Toosey Hospital

Appendix B: Technical notes

This appendix covers:

- definitions and classifications used
- the presentation of data in this report
- analysis methods.

Definitions

If not otherwise indicated, data elements were defined according to the definitions in the *National health data dictionary,* versions 16, 16.1 and 16.2 (AIHW 2012, 2015b, 2015c) (summarised in the Glossary).

Data element definitions are also available online for the:

- Public hospital establishments NMDS 2016–17 at <http://meteor.aihw.gov.au/content/index.phtml/itemId/615835>.
- Local hospital networks NBEDS 2016–17 at <http://meteor.aihw.gov.au/content/index.phtml/itemId/618892>.

Geographical classification

Information on the location of public hospitals is reported to the NPHED. The remoteness area of each public hospital was determined based on its street address. Information on the remoteness area of hospitals is presented in chapters 2 and 3.

Data on the remoteness area of hospital location are defined using the ABS's Australian Statistical Geography Standard (ASGS) Remoteness Structure 2011 (ABS 2011) which categorises geographical areas in Australia into remoteness areas, described in detail on the ABS website <www.abs.gov.au>. The classification is as follows:

- *Major cities*—for example, Sydney, Melbourne, Brisbane, Adelaide, Perth, Canberra and Newcastle
- *Inner regional*—for example, Hobart, Launceston, Wagga Wagga, Bendigo and Murray Bridge
- *Outer regional*—for example, Darwin, Moree, Mildura, Cairns, Charters Towers, Whyalla and Albany
- *Remote*—for example, Port Lincoln, Esperance, Queenstown and Alice Springs
- *Very remote*—for example, Mount Isa, Cobar, Coober Pedy, Port Hedland and Tennant Creek.

Australian Refined Diagnosis Related Groups

In this report, Australian Refined Diagnosis Related Groups (AR-DRG) sourced from the National Hospital Morbidity Database (NHMD) are used to measure the complexity of cases in hospitals (for example, counts of AR-DRGs for which a hospital reported at least 5 separations) and the clinical specialties that are provided by hospitals (for example, using Service Related Groups).

The AR-DRG is an Australian admitted patient classification system that provides a clinically meaningful way of relating the number and type of patients treated in a hospital (that is, its

casemix) to the resources expected to be used by the hospital. This system categorises acute admitted patient episodes of care into groups with similar conditions and similar expected use of hospital resources, based on information in the hospital morbidity record.

For more information on the AR-DRG classification, see *Admitted patient care 2016–17: Australian hospital statistics* (AIHW 2018a).

Presentation of data

Throughout the publication, percentages may not add up to 100.0 because of rounding. Percentages and rates printed as 0.0 or 0 generally indicate a zero. The symbol '<0.1' has been used to denote less than 0.05 but greater than 0.

Suppression of data

The AIHW operates under a strict privacy regime which has its basis in Section 29 of the *Australian Institute of Health and Welfare Act 1987* (AIHW Act). Section 29 requires that confidentiality of data relating to persons (living and deceased) and organisations be maintained. The Privacy Act 1988 governs confidentiality of information about living individuals <www.oaic.gov.au/privacy-law/privacy-act/>.

The AIHW is committed to reporting that maximises the value of information released for users while being statistically reliable and meeting legislative requirements described above.

Data (cells) in tables may be suppressed in order to maintain the privacy or confidentiality of a person or organisation, or because a proportion or other measure related to a small number of events and may therefore not be reliable.

Analysis methods

Counting activity

Counts of separations and patient days presented in Table 3.1 and in Appendix D were sourced from admitted patient care data reported for the NHMD for 2016–17.

Records for 2016–17 are for hospital separations (discharges, transfers, deaths or changes in care type) in the period from 1 July 2016 to 30 June 2017. Data on patients who were admitted on any date before 1 July 2016 are included, provided that they also separated between 1 July 2016 and 30 June 2017. A record is included for each separation, not for each patient, so patients who separated more than once in the year have more than one record in the NHMD.

Records for *Newborn* episodes without qualified days and records for *Hospital boarders* and *Posthumous organ procurement* were excluded from counts of separations. However, only records for *Hospital boarders* and *Posthumous organ procurement* were excluded for analyses based on SRGs.

A patient day (or day of patient care) means an admitted patient occupied a hospital bed (or chair in the case of some same-day patients) for all or part of a day. The length of stay for an overnight patient is calculated by subtracting the date the patient is admitted from the date of separation and deducting days the patient was on leave. A same-day patient is allocated a length of stay of 1 day.

Patient day statistics can be used to provide information on hospital activity that, unlike separation statistics, account for differences in length of stay. As the database contains records for patients separating from hospital during the reporting period (1 July 2016 to

30 June 2017), this means that not all patient days reported will have occurred in that year. It is expected, however, that patient days for patients who separated in 2016–17, but who were admitted before 1 July 2016, will be counterbalanced overall by the patient days for patients in hospital on 30 June 2017 who will separate in future reporting periods.

Estimated resident populations

All populations are based on the estimated resident population as at 30 June at the end of the reporting period (that is, for the reporting period 2016–17, the estimated resident population as at 30 June 2017 was used), based on the 2016 Census data.

Appendix C: Public hospital peer groups

This report uses the AIHW peer group classification, developed by the AIHW in consultation with the Australian Hospital Statistics Advisory Committee and the Private Hospital Statistics Advisory Committee in 2013 and 2014 (AIHW 2015a).

A summary of the public hospital peer group classification is presented in Table C1. The peer group to which each public hospital is assigned is included in Table AS.1 accompanying this report online.

Table C1: Public hospital peer groups, including number of public hospitals, 2016–17

Group	Description	Public hospitals
Acute public hospitals	**Are identified according to the hospital's service profile:**	
Principal referral hospitals	Provide a very broad range of services, including some very sophisticated services, and have very large patient volumes. Most include an intensive care unit, a cardiac surgery unit, a neurosurgery unit, an Infectious diseases unit and a 24-hour emergency department.	31
Public acute group A hospitals	Provide a wide range of services to a large number of patients and are usually in metropolitan centres or inner regional areas. Most have an intensive care unit and a 24-hour emergency department. They are among the largest hospitals, but provide a narrower range of services than *Principal referral* hospitals. They have a range of specialist units, potentially including bone marrow transplant, coronary care and oncology units.	63
Public acute group B hospitals	Most have a 24-hour emergency department and perform elective surgery. They provide a narrower range of services than *Principal referral* and *Public acute group A* hospitals. They have a range of specialist units, potentially including obstetrics, paediatrics, psychiatric and oncology units.	44
Public acute group C hospitals	These hospitals usually provide an obstetric unit, surgical services and some form of emergency facility. Generally smaller than the *Public acute group B* hospitals.	142
Public acute group D hospitals	Often situated in regional and remote areas and offer a smaller range of services relative to the other public acute hospitals (groups A-C). Hospitals in this group tend to have a greater proportion of non-acute separations compared with the larger acute public hospitals.	189
Very small hospitals	Generally provide less than 200 admitted patient separations each year.	123
Specialist hospital groups	**Perform a readily identified role within the health system**	
Women's and children's hospitals		
Children's hospitals	Specialise in the treatment and care of children.	5
Women's hospitals	Specialise in treatment of women.	6
Women's and children's hospitals	Specialise in the treatment of both women and children.	1
Early parenting centres	Specialise in care and assistance for mothers and their very young children.	7
Drug and alcohol hospitals	Specialise in the treatment of disorders relating to drug or alcohol use.	2

(continued)

Table C1 (continued): Public hospital peer groups, including number of public hospitals, 2016–17

Group	Description	Public hospitals
Psychiatric hospitals	**Specialise in providing psychiatric care and/or treatment for people with a mental disorder or psychiatric disability.**	
Psychogeriatric hospitals	Specialise in the psychiatric treatment of older people.	3
Child, adolescent and young adult psychiatric hospitals	Specialise in the psychiatric treatment of children and young people.	3
Acute psychiatric hospitals	Provide acute psychiatric treatment—mainly to the general adult population.	6
Subacute and non-acute psychiatric hospitals	Provide non-acute psychiatric treatment—mainly to the general adult population.	6
Forensic psychiatric hospitals	Provide assessment and treatment of people with a mental disorder and a history of criminal offending, or those who are at risk of offending.	3
Same day hospitals	Treat patients on a same-day basis. The hospitals in the same day hospital peer groups tend to be highly specialised.	
Mixed day procedure hospitals	Provide a variety of specialised services on a same day basis.	4
Other acute specialised hospitals	Specialise in a particular form of acute care, not grouped elsewhere. This group is too diverse to be considered a peer group for comparison purposes. It includes hospitals that specialise in the treatment of cancer, rheumatology, eye, ear and dental disorders.	3
Subacute and non-acute hospitals		
Rehabilitation and geriatric evaluation and management hospitals	Primarily provide rehabilitation and/or geriatric evaluation and management in which the clinical purpose or treatment goal is improvement in the functioning of a patient.	25
Mixed subacute and non-acute hospitals	Primarily provide a mixture of subacute (rehabilitation, palliative care, geriatric evaluation and management, psychogeriatric care) and non-acute (maintenance) care that is not covered by the hospitals in the rehabilitation and geriatric evaluation and management hospital peer group.	13
Outpatient hospitals	Provide a variety of non-admitted patient services. Generally do not admit patients.	7
Unpeered hospitals	Could not be placed in any peer group.	9
Total public hospitals		**695**

Appendix D: Service Related Groups

The Service Related Group (SRG) classification categorises admitted patient episodes into groups representing specialised clinical units or divisions of hospital activity, based on aggregations of AR-DRGs. SRGs can be used to help plan services, analyse and compare hospital activity, examine patterns of service needs and access, and project potential trends in services.

The AR-DRG classification was considered inappropriate for this purpose as it contains too many groups. Both the Major Diagnostic Categories (MDCs) and the *International statistical classification of diseases and related health problems, 10th revision, Australian modification* (ICD-10-AM) were also considered unsuitable as they generally relate to body systems rather than services.

Table D1 provides examples of how selected procedures are assigned to SRGs. These examples illustrate the differences between categorising procedures on the basis of ICD-10-AM chapters, MDCs and SRGs.

Table D1: Example of how selected procedures are assigned in different classifications

Procedure	ICD-10-AM	MDC	SRG
Extraction of wisdom teeth	Diseases of the digestive system	MDC 3: Ear, nose and throat	Dentistry
Endoscopic retrograde cholangiopancreatography	Diseases of the digestive system	MDC 6: Digestive system	Gastroenterology
Excision of haemorrhoids	Diseases of the digestive system	MDC 6: Digestive system	Colorectal surgery

This report uses SRG version 5.0, developed by the New South Wales Ministry of Health, which assigns SRGs based on AR-DRG version 7.0 (NCCC 2012).

SRGs were allocated using the data in the NHMD. The method largely involves aggregations of AR-DRG information. However, the assignment of some separations to SRGs is based on other information, such as procedures, diagnoses and care types. Separations with non-acute care are allocated to separate SRG categories according to the type of care, because the main service type of these separations cannot be ascertained from their diagnoses or procedures.

For public hospitals, separations may have been assigned to the *Perinatology* SRG depending on whether or not the hospital had a specialist neonatal intensive care unit, as reported to the NPHED. An ‘unallocated’ SRG was assigned for separations with an *Error DRG*.

How much activity was there in 2016–17?

In Chapter 3, Table 3.8 presents the 20 most common specialised clinical units for public hospitals by remoteness area of hospital and by peer group. The number of specialised clinical units was based on the number of hospitals for which there were at least 360 patient days reported for the SRG. This appendix provides supplementary information on the level of activity for each SRG for public hospitals (measured using the number of separations and patient days).

Table D2 contains the number of separations and patient days in each SRG for public hospitals. *Renal dialysis* (SRG 23) had the largest number of separations in public hospitals (1.17 million). This was followed by *General medicine* (SRG 27) (541,000).

Psychiatry/mental health—acute (SRG 84) recorded the highest number of patient days (2.76 million), followed by *Rehabilitation* (SRG 82) (1.98 million).

Table D2: Separations[(a)] and patient days by Service Related Group based on AR-DRG version 7.0, public hospitals, 2016–17

Service Related Group	Separations	Patient days
11 Cardiology	351,278	844,223
12 Interventional cardiology	81,994	259,588
13 Dermatology	24,272	56,519
14 Endocrinology	35,891	117,616
15 Gastroenterology	347,818	817,503
16 Diagnostic gastrointestinal	192,685	277,033
17 Haematology	162,595	445,965
18 Immunology and infections	44,286	94,088
20 Chemotherapy	236,922	236,931
21 Neurology	262,670	763,840
22 Renal medicine	40,982	136,783
23 Renal dialysis	1,167,735	1,167,840
24 Respiratory medicine	365,447	1,314,402
25 Rheumatology	33,265	87,100
26 Pain management	9,241	27,757
27 General medicine	541,177	1,826,730
41 Breast surgery	22,723	53,705
42 Cardiothoracic surgery	16,784	175,926
43 Colorectal surgery	39,099	248,518
44 Upper gastrointestinal surgery	88,289	325,769
46 Neurosurgery	69,517	358,667
47 Dentistry	23,171	24,804
48 Ear, nose and throat; head and neck	106,704	159,380
49 Orthopaedics	397,720	1,317,817
50 Ophthalmology	123,036	149,313
51 Plastic and reconstructive surgery	106,945	227,102
52 Urology	231,064	414,254
53 Vascular surgery	53,757	289,587
54 General surgery	317,419	770,030
61 Transplantation	1,702	28,307
62 Extensive burns	1,839	20,387
63 Tracheostomy and ventilation	9,328	264,613
71 Gynaecology	162,535	241,563
72 Obstetrics	357,049	867,912
73 Qualified neonate	57,297	374,009
74 Unqualified neonate	203,372	102,920
75 Perinatology	5,258	122,527

(continued)

Table D2 (continued): Separations[(a)] and patient days by Service Related Group based on AR-DRG version 7.0, public hospitals, 2016–17

Service Related Group	Separations	Patient days
81 Drug and alcohol	98,486	303,067
82 Psychiatry/mental health - acute	162,603	2,761,996
83 Psychiatry/mental health - sub-acute	108	23,798
84 Rehabilitation	132,134	1,977,064
85 Psychogeriatric care	1,216	35,247
86 Palliative care	37,288	352,081
87 Maintenance	29,724	587,815
99 Unallocated	5,996	65,965
Total	**6,760,421**	**21,118,061**

(a) Separations exclude records for *Hospital boarders* and *Posthumous organ procurement*.

(b) All private hospital *Newborns* with qualified days were assigned to SRG 73 *Qualified neonate* as information about Neonatal intensive care units was not available for individual private hospitals.

(c) *Newborns* without qualified days are included, and are allocated to SRG 74 *Unqualified neonate*.

Source: NHMD.

Tables DS.1 to DS.3 (which accompany this report online) present more SRG information for public hospitals, by state and territory. Table DS.1 contains the number of public hospitals that, in 2016–17, reported more than 50 separations or more than 360 patient days for each SRG by state and territory and remoteness area. This has been included as an indicative measure of the number of specialised clinical units.

Appendix E: Public hospital accreditation information

This section includes analysis of the data reported for the NPHED for hospital accreditation in 2016–17.

From 2014–15, in addition to the 4 quality accreditation/certification standards that were collected before 2014–15, the NPHED included information about accreditation to the National Safety and Quality Health Service (NSQHS) Standards, as well as whether the hospital was *Accredited elsewhere* and the *Other quality accreditation/certification standard*.

However, the accreditation data reported for the NPHED were inconsistent between jurisdictions, meaning the data were not suitable for comparative purposes.

Table E1 presents the numbers of hospitals reported against each accreditation standard in 2016–17, noting that:

- Victoria and the Northern Territory reported accreditation information against the NSQHS Standards only
- Queensland reported accreditation information against the accrediting agency only
- New South Wales reported some hospitals against the NSQHS Standards only, and other hospitals against the accrediting agency only.

Hospitals accredited elsewhere

Table E1 also presents the number of hospitals that were reported as *Accredited elsewhere* in 2016–17. The types of accreditation reported in *Other quality accreditation/certification standard* included:

- National Association of Testing Authorities Australia, including:
  - Diagnostic Imaging Accreditation Scheme
  - Laboratory testing
  - Pathology
- Aged care standards, including:
  - Aged Care Standards Agency
  - Australian Aged Care Quality Agency
  - Community West
- Accreditation with colleges, including:
  - Royal Australian College of General Practitioners
  - Royal Australian and New Zealand College of Radiologists
  - Royal Australian and New Zealand College of Obstetricians and Gynaecologists
- Australian General Practice Accreditation Limited
- National Food Safety Standards, Certified Food Safety Systems
- Home and Community Care
- Baby Friendly Health Initiative
- Breast Screen Australia
- Radiological Council of Western Australia
- Foundation for the Accreditation of Cellular Therapy, for bone marrow transplant
- Attendant Care Industry Standard.

Table E1: Number of accredited public hospitals, by accreditation standard reported to the NPHED, states and territories, 2016–17

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
International Organisation for Standardisation ISO 9000 quality family	0	0	32	1	1	0	1	0	35
Australian Council on Healthcare Standards	43	0	85	78	73	4	1	0	284
Quality Improvement Council	0	0	4	3	0	3	1	0	11
Australian Quality Council	0	0	11	1	0	0	1	0	13
National Safety and Quality Health Service Standards	188	148	0	89	77	18	3	5	528
Any accreditation[(a)]	207	151	120	91	77	18	3	5	672
Total hospitals	**222**	**151**	**123**	**91**	**77**	**23**	**3**	**5**	**695**

(a) The total number of hospitals accredited does not equal the sum of the rows because a hospital may be accredited against more than one set of standards.

Source: NPHED.

Glossary

Some definitions in the Glossary contain an identification number from the Metadata Online Registry (METeOR). METeOR is Australia's central repository for health, community services and housing assistance metadata, or 'data about data'. It provides definitions for data for health and community services-related topics and specifications for related national minimum data sets. METeOR can be viewed at <meteor.aihw.gov.au>.

acquired immune deficiency syndrome (AIDS) unit: A specialised facility dedicated to the treatment of AIDS patients. METeOR identifier: 270448.

activity-based funding: A method of funding health services based on the amount and type of activity. METeOR identifier: 548713.

acute care hospital: See **establishment type**.

acute renal dialysis unit: A specialised facility dedicated to dialysis of renal failure patients requiring acute care. METeOR identifier: 270435.

acute spinal cord injury unit: A specialised facility dedicated to the initial treatment and subsequent ongoing management and rehabilitation of patients with acute spinal cord injury, largely conforming to Australian Health Minister's Advisory Council guidelines for service provision. METeOR identifier: 270432.

administrative and clerical staff: Staff engaged in administrative and clerical duties. Medical staff and nursing staff, diagnostic and health professionals and any domestic staff primarily or partly engaged in administrative and clerical duties are excluded. Civil engineers and computing staff are included in this category. METeOR identifier: 542001. See **full-time equivalent staff**.

administrative expenditure: The expenditure incurred by establishments (but not central administrations) of a management expenses/administrative support nature, such as any rates and taxes, printing, telephone, stationery and insurance (including workers compensation). METeOR identifier: 542106.

administrative expenses—insurance: Expenditure incurred by establishments for the purposes of insurance (excluding workers' compensation premiums and medical indemnity). METeOR identifier: 542106. See **non-salary expenditure**.

admitted acute care expenditure: Expenditure incurred by an establishment for admitted patients receiving acute care, including expenditure associated with the care of unqualified newborns (reported under the mother's episode of care). METeOR identifier: 540184. See **National Health Reform Agreement (NHRA) 2011 product streams**.

admitted patient: A patient who undergoes a hospital's admission process to receive treatment and/or care. This treatment and/or care is provided over a period of time and can occur in hospital and/or in the person's home (for **hospital-in-the-home** patients). METeOR identifier: 268957.

admitted subacute care expenditure: Expenditure incurred by an establishment for admitted patients receiving subacute care. METeOR identifier: 540184. See **National Health Reform Agreement (NHRA) 2011 product streams**.

alcohol and drug treatment centre: See **establishment type**.

Australian Refined Diagnosis Related Groups (AR-DRGs): An Australian system of diagnosis-related groups (DRGs). DRGs provide a clinically meaningful way of relating the number and type of patients treated in a hospital (that is, its **casemix**) to the resources required by the hospital. Each AR-DRG represents a class of patients with similar clinical conditions requiring similar hospital services.

average available beds for admitted contracted care: The number of beds available to care for admitted patients that an establishment provides via contractual arrangements with private hospitals. METeOR identifier: 552334.

average available beds for overnight-stay patients: The number of beds available to provide overnight accommodation for patients—other than neonatal cots (non-special-care) and beds occupied by **hospital-in-the-home** patients—averaged over the counting period. METeOR identifier: 374151.

average available beds for same-day patients: The number of beds, chairs or trolleys available to provide accommodation for same-day patients, averaged over the counting period. METeOR identifier: 373966.

average length of stay: The average number of patient days for admitted patient episodes. Patients admitted and separated on the same date are allocated a length of stay of 1 day.

block-funding: A method of funding health services for which activity-based funding is not applicable due to low volumes, the absence of 'economies of scale' or the inability to satisfy the technical requirements of activity-based funding (IHPA 2014).

burns unit (level III): A specialised facility dedicated to the initial treatment and subsequent rehabilitation of severely injured burns patient (usually more than 10% of the patient's body surface affected). METeOR identifier: 270438.

capital expenditure: Expenditure on large-scale fixed assets (for example, new buildings and equipment with a useful life extending over a number of years).

cardiac surgery unit: A specialised facility dedicated to operative and peri-operative care of patients with cardiac disease. METeOR identifier: 270434.

care type: Defines the overall nature of a clinical service provided to an admitted patient during an episode of care (admitted care), or the type of service provided by the hospital for boarders or posthumous organ procurement (care other than admitted care). METeOR identifier: 584408.

casemix: The range and types of patients (the mix of cases) treated by a hospital or other health service. Casemix classifications (such as AR-DRGs) provide a way of describing and comparing hospitals and other services for management purposes.

clinical genetics unit: A specialised facility dedicated to diagnostic and counselling services for clients who are affected by, at risk of, or anxious about genetic disorders. METeOR identifier: 270444.

Commonwealth funded aged care expenditure: Expenditure incurred by an establishment for Australian Government-funded aged care patients (including residential aged care and Multi-Purpose Services). METeOR identifier: 540184. See **National Health Reform Agreement (NHRA) 2011 product streams**.

comprehensive epilepsy centre: A specialised facility dedicated to seizure characterisation, evaluation of therapeutic regimes, pre-surgical evaluation and epilepsy surgery for patients with refractory epilepsy. METeOR identifier: 270442.

constant prices: Constant price expenditure adjusts current prices for the effects of inflation; that is, it aims to remove the effects of inflation. Hence, expenditures in different years can be compared on a dollar–for–dollar basis, using this measure of changes in the volume of health goods and services.

contracted care expenditure: Expenditure on the provision of contracted care by private hospitals incurred by an establishment. METeOR identifier: 608233.

coronary care unit: A specialised facility dedicated to acute care services for patients with cardiac diseases. METeOR identifier: 270433.

current prices: Expenditures reported for a particular year, unadjusted for inflation.

deflator: A deflator is a value (or a set of values) that adjusts **current prices** for the effects of inflation, resulting in **constant prices,** in terms of some base period.

depreciation: Depreciation represents the expensing of a long-term asset over its useful life.

depreciation—building: Building depreciation includes depreciation charges for buildings and fixed fit-out such as items fitted to the building (for example, lights and partitions). See **non-salary expenditure**. METeOR identifier: 542106.

diabetes unit: A specialised facility dedicated to the treatment of diabetics. METeOR identifier: 270449.

diagnostic and allied health professionals: Qualified staff (other than qualified medical and nursing staff) engaged in duties of a diagnostic, professional or technical nature (but also including diagnostic and health professionals whose duties are primarily or partly of an administrative nature). This category includes all allied health professionals and laboratory technicians (but excludes civil engineers and computing staff). METeOR identifier: 542001. See **full-time equivalent staff**.

direct teaching, training and research expenditure: Expenditure incurred by an establishment for direct teaching, training and research. METeOR identifier: 540184. See **National Health Reform Agreement (NHRA) 2011 product streams**.

domestic and other staff: Staff engaged in the provision of food and cleaning services including those primarily engaged in administrative duties such as food services manager. Dieticians are excluded. This category also includes all staff not elsewhere included (primarily maintenance staff, trades people and gardening staff). METeOR identifier: 542001. See **full-time equivalent staff**.

domestic services expenditure: The cost of all domestic services, including electricity, other fuel and power, domestic services for staff, accommodation and kitchen expenses, but not including salaries and wages, food costs or equipment replacement and repair costs. METeOR identifier: 542106.

domiciliary care service unit: A facility dedicated to the provision of nursing or other professional paramedical care or treatment and non-qualified domestic assistance to patients in their own homes or in residential institutions not part of the establishment. METeOR identifier: 270430.

drug and alcohol unit: A facility/service dedicated to the treatment of alcohol and drug dependence. METeOR identifier: 270431.

drug supplies expenditure: The cost of all drugs, including the cost of containers. METeOR identifier: 542106.

elective surgery: Elective care where the procedures required by patients are listed in the surgical operations section of the Medicare Benefits Schedule, with the exclusion of specific procedures frequently done by non-surgical clinicians. METeOR identifier: 568780.

emergency care services expenditure: Expenditure incurred by an establishment on non-admitted patients receiving care through emergency care services. Excludes admitted patients receiving care through the emergency department. METeOR identifier: 540184. See **National Health Reform Agreement (NHRA) 2011 product streams**.

enrolled nurses: Nurses who are second-level nurses and enrolled in all states except Victoria where they are registered by the state registration board to practise in this capacity. Includes general enrolled nurses and specialist enrolled nurses (for example, mothercraft nurses in some states). METeOR identifier: 542001. See **full-time equivalent staff**.

establishment type: Type of establishment (defined in terms of legislative approval, service provided and patients treated) for each separately administered establishment. METeOR identifier: 269971.

estimated data indicator: An indicator of whether data relating to an establishment have been estimated. METeOR identifier: 548891. See **average available beds for admitted contracted care, non-salary expenditure** and **salary expenditure**.

food supplies expenditure: Expenditure incurred by establishments on all food and beverages but not including kitchen expenses such as utensils, cleaning materials, cutlery and crockery. METeOR identifier: 542106.

full-time equivalent staff: Full-time equivalent staff units are the on-the-job hours paid for (including overtime), and hours of paid leave of any type for a staff member (or contract employee where applicable), divided by the number of ordinary-time hours normally paid for a full-time staff member when on the job (or contract employee where applicable) under the relevant award or agreement for the staff member (or contract employee occupation where applicable). The staffing categories are:

- specialist salaried medical officers
- other salaried medical officers
- registered nurses
- enrolled nurses
- student nurses
- trainee/pupil nurses
- diagnostic and health professionals
- administrative and clerical staff
- domestic and other staff
- other personal care staff.

METeOR identifiers: 542001 and 552430.

geriatric assessment unit: A facility dedicated to the Australian Government-approved assessment of the level of dependency of (usually) aged individuals either for purposes of initial admission to a long-stay institution or for purposes of reassessment of dependency levels of existing long-stay institution residents. METeOR identifier: 270429.

hospice: See **establishment type**.

hospice care unit: A facility dedicated to the provision of palliative care to terminally ill patients. METeOR identifier: 270427.

hospital: A health-care facility established under Australian Government, state or territory legislation as a hospital or a free-standing day procedure unit and authorised to provide treatment and/or care to patients. METeOR identifier: 268971.

Independent Hospital Pricing Authority funding designation: The designation given to an establishment by the Independent Hospital Pricing Authority relating to a type of funding the establishment receives. METeOR identifier: 548713. See also **activity-based funding** and **block-funding**.

infectious diseases unit: A specialised facility dedicated to the treatment of infectious diseases. METeOR identifier: 270447.

intensive care unit (level III): A specialised facility dedicated to the care of paediatric and adult patients requiring intensive care and sophisticated technological support services. METeOR identifier: 270426.

interest payments: Payments made by or on behalf of the establishment in respect of borrowings (such as interest on bank overdraft) provided the establishment is permitted to borrow. This does not include the cost of equity capital (dividends on shares) in respect of profit-making private establishments. METeOR identifier: 542106.

in-vitro fertilisation unit: A specialised facility dedicated to the investigation of infertility and provision of in-vitro fertilisation services. METeOR identifier: 270441.

lease costs: A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. METeOR identifier: 542106. See **non-salary expenditure**.

length of stay: The length of stay of an overnight patient is calculated by subtracting the date the patient is admitted from the date of separation and deducting days the patient was on leave. A same-day patient is allocated a length of stay of 1 day.
METeOR identifier: 269982.

licensed bed: A bed in a private hospital, licensed by the relevant state or territory health authority.

local hospital networks: Local hospital networks directly manage single or small groups of public hospital services and their budgets, and are directly responsible for hospital performance. METeOR identifier: 491016.

maintenance renal dialysis centre: A specialised facility dedicated to maintenance dialysis of renal failure patients. It may be a separate facility (possibly located on hospital grounds) or known as a satellite centre or a hospital-based facility but is not a facility solely providing training services. METeOR identifier: 270437.

major plastic/reconstructive surgery unit: A specialised facility dedicated to general purpose plastic and specialised reconstructive surgery, including maxillofacial, microsurgery and hand surgery. METeOR identifier: 270439.

medical and surgical supplies expenditure: The cost of all consumables of a medical or surgical nature (excluding drug supplies) but not including expenditure on equipment repairs. METeOR identifier: 270358.

National Health Reform Agreement (NHRA) 2011 product streams: The different types of care describe total recurrent expenditure broken down by the NHRA product stream (METeOR identifiers: 540184 and 608182) and recurrent contracted care expenditure broken down by the NHRA product stream (METeOR identifiers: 552598 and 608231). Includes recurrent expenditure incurred for:

- admitted acute care
- admitted subacute care
- other admitted care
- emergency care services
- non-admitted care (in-scope for NHRA)
- direct teaching, training and research
- Commonwealth-funded aged care
- other aged care
- non-admitted care (out of scope for NHRA)
- other (out of scope for NHRA).

The different types of care describe total recurrent expenditure broken down by the NHRA product stream (METeOR identifiers: 540184 and 608182) and recurrent contracted care expenditure broken down by the NHRA product stream (METeOR identifiers: 552598 and 608231).

neonatal intensive care unit (level III): A specialised facility dedicated to the care of neonates requiring care and sophisticated technological support, is provided within an establishment. Patients usually require intensive cardiorespiratory monitoring, sustained assistance ventilation, long-term oxygen administration and parenteral nutrition. METeOR identifier: 270436.

neurosurgical unit: A specialised facility dedicated to the surgical treatment of neurological conditions. METeOR identifier: 270446.

non-admitted care (in-scope for NHRA) expenditure: Expenditure incurred by an establishment on non-admitted patients receiving services deemed to be in-scope of the National Health Reform Agreement**.** METeOR identifier: 540184. See **National Health Reform Agreement (NHRA) 2011 product streams**.

non-admitted care (out of scope for NHRA) expenditure: Expenditure incurred by an establishment on non-admitted patients receiving services deemed not to be in-scope of the National Health Reform Agreement**.** METeOR identifier: 540184. See **National Health Reform Agreement (NHRA) 2011 product streams**.

non-admitted patient: A patient who does not undergo a hospital's formal admission process. METeOR identifier: 268973.

non-admitted patient clinics: The organisational units or organisational arrangements through which a hospital provides a service to a non-admitted patient. METeOR identifier: 400598.

non-salary expenditure: Includes payments to visiting medical officers, superannuation, drug supplies, medical and surgical supplies (which include consumable supplies only and not equipment purchases), food supplies, domestic services, repairs and maintenance, patient transport, administrative expenses, interest, depreciation, lease costs, other on-costs and other recurrent expenditure. METeOR identifiers: 542106 and 616030.

non-salary expenditure not elsewhere recorded: The expenditure incurred by establishments on all other recurrent expenditure costs not elsewhere recorded. Gross expenditure should be reported with no revenue offsets (except for inter-hospital transfers). Includes expenditure by the establishment on contracted care arrangements. METeOR identifier: 542106. See **non-salary expenditure**.

nursing home care unit: A facility dedicated to the provision of nursing home care. METeOR identifier: 270428.

obstetric/maternity service unit: A specialised facility dedicated to the care of obstetric/maternity patients. METeOR identifier: 270150.

oncology unit: A specialised facility dedicated to multidisciplinary investigation, management, rehabilitation and support services for cancer patients. Treatment services include surgery, chemotherapy and radiation. METeOR identifier: 270440.

other administrative expenses: Expenditure incurred by establishments of a management expenses/administrative support nature such as any rates and taxes, printing, telephone, stationery but excluding insurance, workers' compensation premiums and medical indemnity. METeOR identifier: 542106. See **non-salary expenditure**.

other admitted care expenditure: Expenditure incurred by an establishment for other admitted patients, including expenditure associated with maintenance care. METeOR identifier: 540184. See **National Health Reform Agreement (NHRA) 2011 product streams**.

other aged care expenditure: Expenditure incurred by establishments for other aged care patients, excluding Australian Government-funded aged care patients (such as residential aged care and Multi-Purpose Services). METeOR identifier: 540184. See **National Health Reform Agreement (NHRA) 2011 product streams**.

other care (out of scope for NHRA) expenditure: Expenditure incurred by an establishment on services not reported elsewhere. METeOR identifier: 540184. See **National Health Reform Agreement (NHRA) 2011 product streams**.

other on-costs: The expenditure incurred by establishments on employee-related expenses, excluding salaries, wages and superannuation employer contributions, paid on behalf of establishment either by the establishment, or another organisation such as a state health authority. METeOR identifier: 542106. See **non-salary expenditure**.

other personal care staff: Includes attendants, assistants or home assistance, home companions, family aides, ward helpers, warders, orderlies, ward assistants and nursing assistants engaged primarily in the provision of personal care to patients or residents; they are not formally qualified or undergoing training in nursing or allied health professions. METeOR identifier: 542001. See **full-time equivalent staff**.

other salaried medical officers: Non-specialist medical officers employed by the establishment on a full-time or part-time salaried basis. This excludes visiting medical officers engaged on an honorary, sessional or fee-for-service basis. This category includes non-specialist salaried medical officers who are engaged in administrative duties regardless of the extent of that engagement (for example, clinical superintendent and medical superintendent). METeOR identifier: 542001. See **full-time equivalent staff**.

outpatient: See **non-admitted patient**. METeOR identifier: 268973.

patient transport cost: The direct cost of transporting patients, excluding salaries and wages of transport staff where payment is made by an establishment. METeOR identifier: 542106.

payments to visiting medical officers: Payments made by an institutional health care establishment to visiting medical officers for medical services provided to hospital (public) patients on an honorary, sessionally paid or fee-for-service basis.
METeOR identifier: 542106.

peer group: Groupings of hospitals into broadly similar groups in terms of characteristics.

performance indicator: A statistic or other unit of information that directly or indirectly, reflects either the extent to which an expected outcome is achieved or the quality of processes leading to that outcome.

private hospital: A privately owned and operated institution, catering for patients who are treated by a doctor of their own choice. Patients are charged fees for accommodation and other services provided by the hospital and relevant medical and paramedical practitioners. Acute care and psychiatric hospitals are included, as are private free-standing day hospital facilities. See also **establishment type**.

psychiatric hospital: See **establishment type**.

psychiatric unit/ward: A specialised unit/ward dedicated to the treatment and care of admitted patients with psychiatric, mental, or behavioural disorders.
METeOR identifier: 270425.

public hospital: A hospital controlled by a state or territory health authority. Public hospitals offer free diagnostic services, treatment, care and accommodation to all eligible patients. See also **establishment type**.

recurrent expenditure: Expenditure incurred by organisations on a recurring basis, for the provision of health goods and services. This includes, for example, salaries and wages expenditure and non-salary expenditure such as **payments to visiting medical officers**. This excludes capital expenditure. METeOR identifier: 542106.

registered nurses: Includes persons with at least a 3-year training certificate and nurses holding post graduate qualifications. Registered nurses must be registered with the national registration board. METeOR identifier: 542001. See **full-time equivalent staff**.

This is a comprehensive category and includes community mental health, general nurse, intellectual disability nurse, midwife (including pupil midwife), psychiatric nurse, senior nurse, charge nurse (now unit manager), supervisory nurse and nurse educator. This category also includes nurses engaged in administrative duties no matter what the extent of their engagement, for example, directors of nursing and assistant directors of nursing.

rehabilitation unit: A dedicated unit within a recognised hospital which provides post-acute rehabilitation and designed as such by the state and territory health authority.
METeOR identifier: 270450.

remoteness area: A classification of the remoteness of a location using the Australian Statistical Geography Standard Remoteness Structure (2011), based on the Accessibility/Remoteness Index of Australia which measures the remoteness of a point based on the physical road distance to the nearest urban centre.

repairs and maintenance expenditure: The costs incurred in maintaining, repairing, replacing and providing additional equipment; maintaining and renovating buildings, and minor additional works. METeOR identifier: 542106.

salary expenditure: Includes salaries and wages, payments to staff on paid leave, worker's compensation leave and salaries paid to contract staff where the contract was for the supply of labour and where full-time equivalent staffing data were available.
METeOR identifier: 542106.

separations: The total number of episodes of care for admitted patients, which can be total hospital stays (from admission to discharge, transfer or death) or portions of hospital stays beginning or ending in a change of type of care (for example, from acute to rehabilitation) that cease during a reference period. METeOR identifier: 270407.

Service Related Group (SRG): A classification based on AR-DRG aggregations for categorising admitted patient episodes into groups representing clinical divisions of hospital activity.

sleep centre: A specialised facility linked to a sleep laboratory dedicated to the investigation and management of sleep disorders. METeOR identifier: 270445.

specialised service unit: A facility or unit dedicated to the treatment or care of patients with particular conditions or characteristics, such as an intensive care unit.
METeOR identifier: 269612.

specialist paediatric service unit: A specialised facility dedicated to the care of children aged 14 or under. METeOR identifier: 270424.

specialist salaried medical officers: Specialist medical officers employed by the hospital on a full-time or part-time salaried basis. This excludes visiting medical officers engaged on an honorary, sessional or fee-for-service basis. This category includes salaried medical officers who are engaged in administrative duties regardless of the extent of that engagement (for example, clinical superintendent and medical superintendent).
METeOR identifier: 542001. See **full-time equivalent staff**.

student nurses: Persons employed by the establishment currently studying in years 1 to 3 of a 3-year certificate course. This includes any person commencing or undertaking a three-year course of training leading to registration as a nurse by the national registration board.
This includes full-time general student nurse and specialist student nurse, such as mental deficiency nurse, but excludes practising nurses enrolled in post-basic training courses.
METeOR identifier: 542001. See **full-time equivalent staff**.

superannuation employer contributions: Contributions paid on behalf of establishment employees by the establishment to a superannuation fund providing retirement and related benefits to establishment employees. METeOR identifier: 542106.

trainee/pupil nurses: Includes any person commencing or undertaking a 1-year course of training leading to registration as an enrolled nurse on the national registration board (includes all trainee nurses). METeOR identifier: 542001. See **full-time equivalent staff**.

transplantation unit—bone marrow: A specialised facility for bone marrow transplantation.
METeOR identifier: 308862.

transplantation unit—heart, lung: A specialised facility for heart (including heart lung) transplantation. METeOR identifier: 308866.

transplantation unit—liver: A specialised facility for liver. METeOR identifier: 308868.

transplantation unit—pancreas: A specialised facility for pancreas transplantation.
METeOR identifier: 308870.

transplantation unit—renal: A specialised facility for renal transplantation.
METeOR identifier: 308864.

visiting medical officer: A medical practitioner appointed by the hospital board to provide medical services for hospital (public) patients on an honorary, sessionally paid or fee-for-service basis. METeOR identifier: 542106.

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Related publications

This report, *Hospital resources 2016–17*: *Australian hospital statistics*, is part of an annual series. The earlier editions and any published subsequently can be downloaded for free from the Australian Institute of Health and Welfare (AIHW) website at <www.aihw.gov.au/hospitals-publications/>. The website also includes information on ordering printed copies.

Recent related reports include:

- AIHW 2015. Australian hospital peer groups. Health services series no. 66. Cat. no. HSE 170. Canberra: AIHW.
- AIHW 2016. 25 years of health expenditure in Australia: 1989–90 to 2014–15. Health and welfare expenditure series no. 56. Cat. no. HWE 66. Canberra: AIHW.
- AIHW 2017. Health expenditure Australia 2015–16. Health and welfare expenditure series no. 58. Cat. no. HWE 68. Canberra: AIHW.
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In addition, selected hospitals-related information, for individual hospitals is available at <www.myhospitals.gov.au>.

Please see <www.aihw.gov.au/reports-statistics> to access AIHW publications relating to Australia's health and welfare.

In 2016–17:

- there were 695 public hospitals in Australia, providing about two-thirds (62,000) of all hospital beds
- total recurrent expenditure on public hospital services was $67 billion. About 66% of total recurrent expenditure (excluding depreciation) was for salaries, wages and superannuation. Medical, surgical and drug supplies accounted for 13% and administrative expenses accounted for a further 5%
- 365,000 full-time equivalent staff were employed in providing public hospital services. About 41% of staff were Nurses (151,000) and 12% were Salaried medical officers (44,000).

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