

2 THE ACUTE HOSPITAL SECTOR IN CONTEXT

THE AUSTRALIAN HEALTH CARE SYSTEM

The Australian health care system is pluralistic and complex. It involves three levels of government—Commonwealth, State and local—with public and private providers who may be individuals or institutions. In 1993–94 the health system contributed 8.5% of Australia’s gross domestic product.

The health system can be broadly divided into institutional and non-institutional services. The following sections provide an overview of these areas.

Institutional health services

Institutional health services accounted for just under half of all recurrent health expenditure in 1992–93 (the most recent year for which detailed expenditure data are available).

Table 2.1 provides key statistics on the institutional health system. Highlights of the table are:

- in 1993–94 there were 690 public acute hospitals, 329 private acute and psychiatric hospitals and 111 free-standing day hospital facilities;
- these 1,130 hospitals supplied 4.2 beds per 1,000 population (see Figure 2.1); expenditure in

acute hospitals amounted to \$12.0 billion;

- 27 hospitals were dedicated to care for the mentally ill; and
- residential care for the aged was provided in 2,822 facilities, supplying 90.5 beds per 1,000 population aged 70 years and over.

The number of hospitals is understated in this report to the extent that health authorities manage as a single unit a group of hospitals in an area or district. Conversely, the number of hospitals is overstated for Queensland by the inclusion of outpatient centres (which do not admit patients) in the count of acute hospitals.

The number of hospitals and beds in the acute sector is also affected by the progressive integration of repatriation and psychiatric hospitals. Repatriation hospitals were managed by the Commonwealth Department of Veterans’ Affairs and are not counted in the number of public acute hospitals. At 30 June 1994, four hospitals were being managed by the Commonwealth Department of Veterans’ Affairs, supplying approximately 1,300 beds.

Figure 2.1 shows the number of available beds per 1,000 population for public and private acute hospitals.

Table 2.1: Institutional health services: key statistics, 1993–94

Variable	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
Acute hospitals									
Number									
Public									
Teaching	14	13	8	5	6	2	–	–	48
Non-teaching	170	121	170	83	75	15	3	5	642
Total public	184	134	178	88	81	17	3	5	690
Private ^(a)	91	113	51	24	38	9	2	1	329
Free-standing day hospital facilities ^(b)	63	24	9	7	3	1	4	–	111
Total acute hospitals	338	271	238	119	122	27	9	6	1,130
Average available beds									
Public									
Teaching	6,707	4,250	3,237	2,205	2,036	886	–	–	19,321
Non-teaching	10,230	7,807	6,572	2,876	3,023	588	765	575	32,436
Total public	16,938	12,056	9,809	5,081	5,059	1,474	765	575	51,757
Private ^(c)	5,834	6,031	4,403	1,881	2,142	590	220	140	22,158
Total acute hospitals	22,772	18,087	14,212	6,962	7,201	2,064	985	715	73,915
Beds per 1,000 population^(d)									
Public									
Metropolitan ^(e)	2.4	2.4	3.0	2.6	2.7	3.5	2.6	3.6	2.6
Non-metropolitan	4.1	3.7	3.3	4.2	5.6	2.4	na	3.2	3.8
Total public	2.8	2.7	3.1	3.0	3.5	3.1	2.6	3.4	2.9
Private									
Capital city	1.2	1.6	1.5	np	1.9	np	0.7	1.8	1.2
Rest of state	0.7	0.8	1.4	np	0.4	np	na	–	0.8
Total private ^(e)	1.0	1.4	1.4	1.1	1.5	1.3	0.7	0.8	1.3
Total acute hospitals	3.8	4.1	4.6	4.2	4.9	4.4	3.3	4.2	4.2
Total recurrent expenditure (\$m)									
Public									
Metropolitan									
Teaching	1,884	1,080	645	575	530	168	–	–	4,883
Non-teaching	851	605	156	105	116	20	191	62	2,105
Total metropolitan	2,735	1,684	801	680	646	188	191	62	6,988
Non-metropolitan	1,085	547	680	216	174	66	na	54	2,822
Total public	3,821	2,231	1,481	896	820	253	191	116	9,809
Private ^(f)	648	668	409	203	232	66	–	–	2,226
Total acute hospitals	4,469	2,899	1,890	1,099	1,052	319	191	116	12,035
Public psychiatric hospitals^(g)									
Number	4	10	5	5	2	1	–	–	27
Average available beds	1,414	1,178	1,292	451	662	142	–	–	5,139
Beds per 1,000 population	0.2	0.3	0.4	0.3	0.5	0.3	–	–	0.3
Nursing homes									
Number	488	437	201	112	153	53	6	7	1,457
Available beds	29,174	17,082	12,224	6,101	6,812	2,094	557	192	74,236
Beds per 1,000 population aged 70 and over	57.8	46.7	50.8	52.4	50.3	29.9	41.9	65.9	51.2
Hostels									
Number	430	325	245	154	149	42	13	7	1,365
Available beds	18,446	13,832	11,444	5,111	6,039	1,347	603	128	56,950
Beds per 1,000 population aged 70 and over	36.5	37.8	47.6	43.9	44.6	19.2	45.4	43.9	39.3

(a) Includes private psychiatric hospitals.

(b) Private hospitals providing care on a same-day basis only.

(c) Includes beds for free-standing day hospitals in Australian column only.

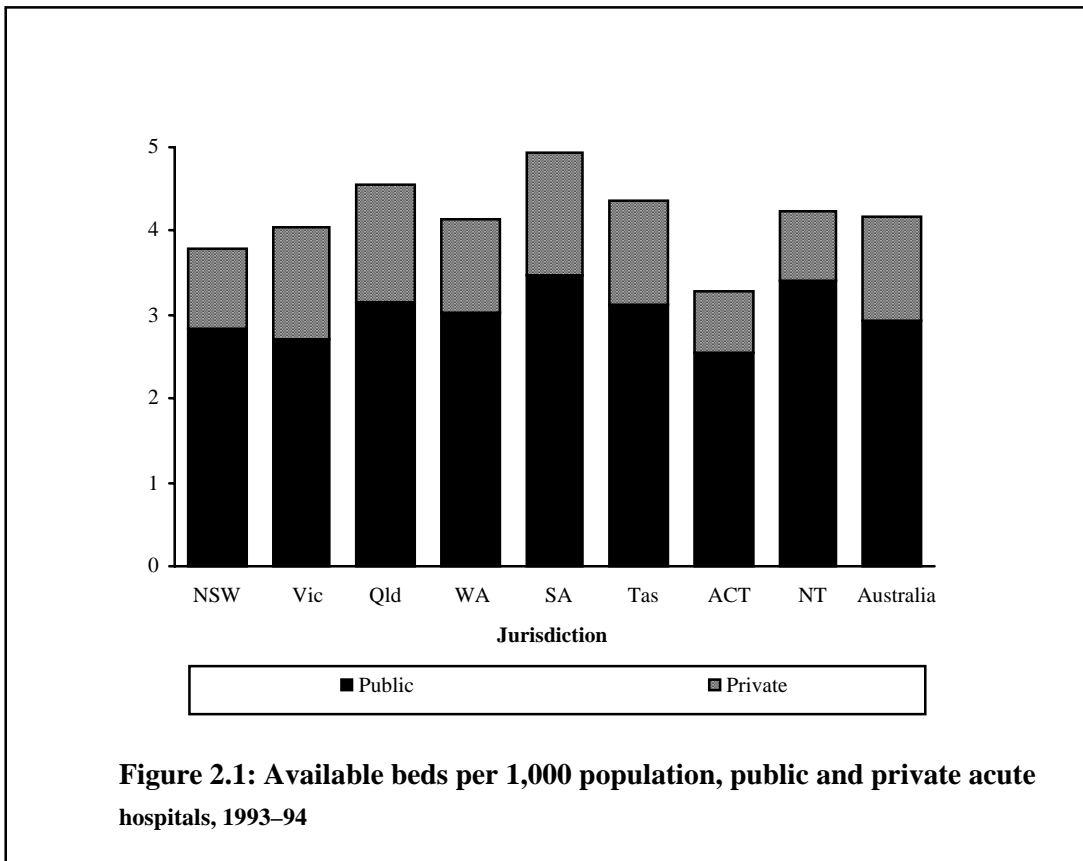
(d) Based on ABS estimated resident population, 30 June 1993.

(e) Metropolitan includes capital cities plus the major urban areas of Newcastle, Wollongong, Geelong and Launceston.

(f) As reported in *Private Hospitals Australia, 1993–94*, ABS Cat. No. 4390.0.

(g) Private psychiatric hospitals are included in private acute.

Sources: AHW National Minimum Data Set collection, unpublished; ABS Estimated Resident Population, Cat. No. 3101.0; HSHA Annual Report 1993–94; *Private Hospitals Australia, 1993–94*, ABS Cat. No. 4390.0.



Non-institutional health services

Non-institutional health services primarily comprise medical services under Medicare, drugs and medicines subsidised by the Pharmaceutical Benefits Scheme (PBS), and community health services and assistance.

Table 2.2 contains key results for the Medicare scheme (Medicare Benefits Schedule services, or MBS), the PBS, and the Home and Community Care Program (HACC), which provides care and assistance to people at risk of being institutionalised to enable them to stay in their own residences. Figure 2.2 shows the average number of medical services per person during 1993-94.

Highlights of the non-institutional sector include:■

- 2.2 medical practitioners per 1,000 population provided MBS services in 1993-94;
- there were 10.2 MBS services per person, amounting to just over \$300 per person;
- approximately 114 million prescriptions were subsidised by the PBS, to the value of \$1.7 billion or the equivalent of \$95 per person; and
- 1,838 hours of HACC services per 1,000 target population were provided, as well as 1,129 meals per 1,000 target population. The target population is an ABS estimate of the number of people with severe or moderate disability.

Table 2.2: Non-institutional health services: key statistics, 1993–94

Variable	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
Medical workforce (per 1,000 population)									
Metropolitan									
Recognised GPs ^(a)	1.0	0.9	1.1	0.9	1.1	1.3	1.0	0.7	1.0
Other GPs ^(b)	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.9	0.5
Other practitioners ^(c)	1.1	1.1	1.0	1.0	1.3	1.4	0.9	0.7	1.1
Total practitioners	2.5	2.5	2.6	2.4	2.9	2.7	2.2	2.3	2.6
Non-metropolitan									
Recognised GPs	0.8	0.8	0.6	0.7	0.9	0.7	20.4	0.5	0.7
Other GPs	0.2	0.2	0.3	0.3	0.2	0.2	5.3	0.5	0.2
Other practitioners	0.5	0.4	0.2	0.2	0.1	0.3	3.6	0.2	0.3
Total practitioners	1.4	1.4	1.1	1.2	1.1	1.1	29.3	1.2	1.3
Total									
Recognised GPs	0.9	0.9	0.9	0.9	1.0	1.0	1.1	0.6	0.9
Other GPs	0.4	0.4	0.4	0.5	0.4	0.3	0.4	0.7	0.4
Other practitioners	0.9	0.9	0.8	0.7	1.0	0.7	0.9	0.4	0.9
Total practitioners	2.2	2.3	2.1	2.1	2.4	2.1	2.3	1.7	2.2
MBS services (per 1,000 population)									
In-hospital services ^(d)									
MBS services									
GP attendances	38	56	73	37	76	26	3	15	51
Specialist attendances	125	170	170	92	177	138	106	51	145
Radiology services	52	45	36	39	51	33	30	10	45
Pathology services	246	251	198	186	229	201	75	61	226
Other services	223	249	229	186	260	192	178	88	227
Total services	684	772	706	539	793	590	392	225	693
MBS benefits (\$)									
GP attendances	947	1,441	1,844	931	2,057	754	63	383	1,295
Specialist attendances	4,507	6,111	6,286	3,277	6,161	4,659	3,727	1,840	5,212
Radiology services	3,797	3,757	3,014	2,937	4,346	2,453	2,365	663	3,522
Pathology services	4,743	4,760	4,021	3,622	4,289	3,804	1,674	1,303	4,366
Other services	28,420	30,731	28,853	24,641	32,694	24,692	23,928	10,868	28,732
Total services	42,414	46,800	44,018	35,407	49,547	36,362	31,756	15,057	43,127
Out of hospital services									
MBS services									
GP attendances	5,844	5,336	5,385	4,766	5,444	4,833	4,712	2,971	5,425
Specialist attendances	932	844	640	627	882	646	803	296	809
Radiology services	568	466	469	485	418	402	461	339	496
Pathology services	2,539	1,940	2,418	2,115	1,745	1,837	1,062	1,093	2,202
Other services	669	547	627	533	555	519	591	333	600
Total services	10,551	9,133	9,538	8,525	9,043	8,236	7,628	5,031	9,532
MBS benefits (\$)									
GP attendances	128,819	117,620	116,681	102,856	121,257	107,151	103,021	63,695	119,114
Specialist attendances	46,187	43,158	32,362	30,082	44,132	31,769	38,085	13,340	40,445
Radiology services	45,588	35,483	33,394	33,435	30,902	29,788	38,465	22,476	37,746
Pathology services	40,751	30,999	40,333	33,844	27,513	26,719	16,354	17,897	35,452
Other services	31,878	26,101	30,372	24,933	28,687	24,883	27,861	14,347	28,805
Total services	293,222	253,361	253,141	225,150	252,490	220,310	223,786	131,755	261,562
Total services (per person)									
Services	11.2	9.9	10.2	9.1	9.8	8.8	8.0	5.3	10.2
Benefits (\$)	336	300	297	261	302	257	256	147	305

(continued)

Table 2.2 (continued): Non-institutional health services: key statistics, 1993–94

Variable	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
Approved pharmacy outlets									
Metropolitan									
Retail pharmacies	1,302	929	678	344	283	100	65	16	3,717
Non-metropolitan									
Retail pharmacies	429	287	268	116	114	51	na	10	1,275
Approved doctors ^(e)	20	1	12	8	15	10	na	–	66
Total									
Retail pharmacies	1,731	1,216	946	460	397	151	65	26	4,992
Approved doctors	20	1	12	8	15	10	na	–	66
PBS services									
Prescriptions (000s)									
General beneficiaries ^(f)									
Ordinary ^(g)	4,274	2,784	1,929	979	847	265	256	75	11,409
Safety net ^(h)	1,675	1,075	706	279	311	96	84	16	4,242
Entitled (free) ⁽ⁱ⁾	1,369	677	538	160	211	57	53	9	3,073
Total	7,318	4,536	3,173	1,418	1,369	418	392	100	18,724
Concessional beneficiaries ^(j)									
Ordinary	28,049	19,412	13,447	6,296	7,012	2,265	622	245	77,349
Entitled (free)	7,423	4,207	3,105	1,186	1,412	478	113	24	17,948
Total	35,472	23,619	16,552	7,482	8,424	2,743	735	268	95,297
Total prescriptions	42,790	28,156	19,725	8,899	9,794	3,161	1,128	368	114,021
Prescriptions per person	7.1	6.3	6.3	5.3	6.7	6.7	3.8	2.2	6.5
PBS benefits (\$'000s)									
General beneficiaries									
Ordinary	85,109	55,515	36,910	19,385	16,899	5,098	5,117	1,312	225,345
Safety net	31,770	19,625	12,888	5,280	5,617	1,764	1,664	270	78,878
Entitled (free)	28,968	13,780	11,107	3,243	4,240	1,162	1,196	165	63,861
Total	145,847	88,920	60,905	27,907	26,756	8,024	7,977	1,747	368,084
Concessional beneficiaries									
Ordinary	382,180	252,366	172,395	81,962	89,668	29,694	8,940	2,935	1,020,139
Entitled (free)	126,035	69,320	50,427	19,232	22,372	7,701	2,123	375	297,586
Total	508,215	321,686	222,822	101,194	112,040	37,395	11,063	3,310	1,317,725
Total benefits	654,062	410,606	283,727	129,101	138,797	45,419	19,040	5,057	1,685,809
Benefits per person (\$)	109	92	91	77	95	96	64	30	95
HACC services									
Number of hours per 1,000 target population ^(k)									
Home help	539	914	317	709	183	791	344	873	576
Centre day care	636	466	725	556	420	172	244	28	557
Home nursing	238	300	339	281	173	284	336	0	271
Respite care	363	130	128	154	73	173	255	281	205
Personal care	247	91	27	244	88	175	138	209	147
Home maintenance	63	80	26	79	4	83	55	14	56
Paramedical	22	25	27	29	41	17	42	0	26
Total	2,108	2,007	1,590	2,052	981	1,695	1,414	1,405	1,838
Number of meals per 1,000 target population									
Home meals	995	1,075	938	1,003	914	1,224	487	1,221	996
Centre meals	107	143	110	354	81	28	20	149	133
Total meals	1,101	1,218	1,048	1,357	995	1,252	507	1,370	1,129

(a) Vocationally registered GPs.

(b) Non-vocationally registered medical practitioners (excluding specialists) providing GP Medicare services.

(c) Includes specialist medical practitioners and other practitioners providing specialist services.

(d) Services provided to private patients in public and private hospitals.

(e) Doctors in remote areas approved for PBS benefits.

(f) Beneficiaries not eligible for concessional benefits.

(g) Prescriptions covered by PBS with a fee greater than the threshold.

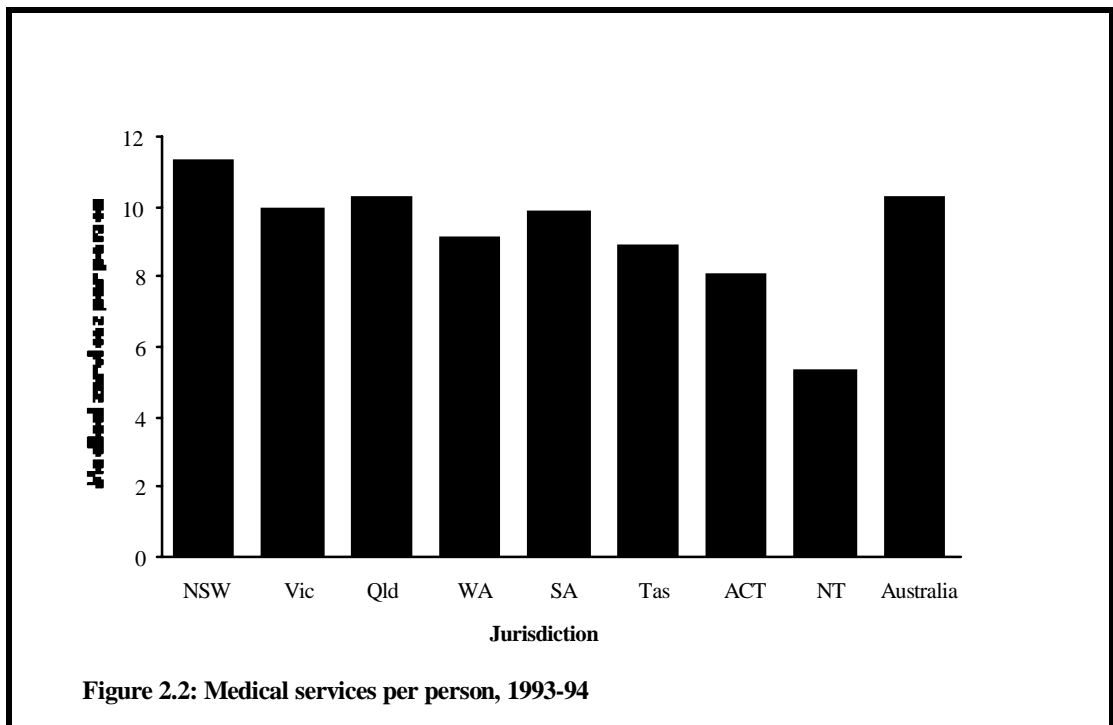
(h) Prescriptions covered by PBS where beneficiary has exceeded first-level safety net threshold.

(i) Prescriptions covered by PBS where beneficiary has exceeded second-level safety net threshold.

(j) Beneficiaries entitled to concession by way of health care card, aged pension, etc.

(k) Target population is ABS estimate of persons with moderate or severe disability.

Source: HSH, unpublished data.



AUSTRALIA'S PEOPLE

Table 2.3 provides an outline of the demography of the Australian population. Many of the measures reported in this section are related to the nature and quality of health services provided over a long period, and to some extent indicate the demand on the health system.

Key features of the demographic data include:

- Australia's population was approaching 18 million in 1993;

- the proportion of the population aged 70 years or more was 7.8%, ranging from 1.6% in the Northern Territory to 9.0% in South Australia;
- a male born in 1993 can expect to live for 75 years, and a female for almost 81 years; and
- a male Aborigine or Torres Strait Islander can expect to live 57 years, and a female slightly more than 64 years.

Table 2.3: Key demographic statistics, 1993

Variable and region	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
Population ('000s)									
Metropolitan ^(a)									
Males	2,290.5	1,649.3	704.4	604.7	526.4	142.6	150.2	40.3	6,108.4
Females	2,327.1	1,691.8	717.2	616.5	544.6	148.1	148.9	37.6	6,231.8
Persons	4,617.5	3,341.1	1,421.6	1,221.2	1,071.1	290.7	299.0	77.9	12,340.2
Non-metropolitan									
Males	691.8	562.4	857.2	237.8	199.8	91.2	na	47.6	2,687.8
Females	688.3	561.0	837.3	217.4	192.0	89.5	na	43.8	2,629.4
Persons	1,380.1	1,123.4	1,694.5	455.2	391.8	180.7	na	91.4	5,317.2
Capital city									
Males	1,839.0	1,574.8	704.4	604.7	526.4	94.7	149.5	40.3	5,533.9
Females	1,874.5	1,614.4	717.2	616.5	544.6	98.5	148.4	37.6	5,651.8
Persons	3,713.5	3,189.2	1,421.6	1,221.2	1,071.1	193.2	297.9	77.9	11,185.7
Rest of State/Territory									
Males	1,143.3	636.9	857.2	237.8	199.8	139.1	0.6	47.6	3,262.3
Females	1,140.9	638.4	837.3	217.4	192.0	139.1	0.5	43.8	3,209.4
Persons	2,284.2	1,275.3	1,694.5	455.2	391.8	278.2	1.1	91.4	6,471.7
Total									
Males	2,982.3	2,211.7	1,561.6	842.5	726.2	233.8	150.2	87.8	8,796.2
Females	3,015.4	2,252.8	1,554.5	833.9	736.6	237.6	148.9	81.5	8,861.2
Persons	5,997.7	4,464.5	3,116.2	1,676.4	1,462.9	471.4	299.0	169.3	17,657.4
Proportion of population > 70 yrs (%)									
Males	6.6	6.4	6.2	5.5	7.3	6.8	3.3	1.5	6.3
Females	9.7	9.4	8.6	7.9	10.6	9.6	5.0	1.8	9.2
Persons	8.1	7.9	7.4	6.7	9.0	8.2	4.2	1.6	7.8
Standardised mortality rate ^(b)									
Males	8.7	8.4	8.4	8.5	8.7	9.4	7.9	12.3	8.6
Females	5.2	5.1	4.9	5.1	5.3	5.6	4.4	8.2	5.1
Persons	6.7	6.5	6.5	6.6	6.8	7.2	5.9	10.0	6.6
Crude birth rate ^(c)									
Males	15.4	14.8	15.4	15.3	14.1	15.1	14.9	21.5	15.2
Females	14.4	13.9	14.6	14.6	13.4	13.9	14.6	21.1	14.3
Persons	14.9	14.3	15.0	15.0	13.7	14.5	14.8	21.3	14.7
Life expectancy ^(d)									
Males									
At birth	74.8	75.4	75.1	75.1	75.0	73.9	76.2	69.2	75.0
At age 65	15.6	15.8	16.0	15.8	15.6	15.3	16.0	14.8	15.7
Females									
At birth	80.8	81.1	81.0	81.2	80.5	80.1	82.3	73.8	80.9
At age 65	19.4	19.5	19.8	19.6	19.3	19.1	20.1	16.7	19.5
ATSI life expectancy ^(e)									
Males at birth	58.7	60.1	56.0	55.7	56.4	na	na	55.1	56.9
Females at birth	66.4	71.0	63.8	63.1	66.4	na	na	61.8	64.4

(a) Metropolitan includes capital cities plus the major urban areas of Newcastle, Wollongong, Geelong and Launceston.

(b) The overall death rate that would have prevailed in a standard population if it had experienced at each age the death rates observed. The standard population was all persons in the 1991 Australian population.

(c) The number of live births registered per 1,000 estimated resident population.

(d) The average number of additional years a person of a given age and sex might expect to live if the age-specific death rates of the given period continued throughout his or her lifetime.

(e) Estimated life expectancy for Aborigines and Torres Strait Islanders, 1986–91; Note: ACT included in NSW, Tas included in Vic; from Gray & Tesfaghiorghis 1993.

Sources: ABS, Cat. Nos. 3101.0, 3301.0, 3302.0, unpublished data; Gray & Tesfaghiorghis 1993.