



Australian Government

**Australian Institute of
Health and Welfare**

Health expenditure Australia 2011–12: analysis by sector

HEALTH AND WELFARE EXPENDITURE SERIES NO. 51



Australian Government

Australian Institute of
Health and Welfare

*Authoritative information and statistics
to promote better health and wellbeing*

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Number 51

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Australian Institute of Health and Welfare
Canberra

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Australian Institute of Health and Welfare

Board Chair
Dr Andrew Refshauge

Director
David Kalisch

Any enquiries about or comments on this publication should be directed to:

Media and Strategic Engagement Unit
Australian Institute of Health and Welfare
GPO Box 570
Canberra ACT 2601
Tel: (02) 6244 1032
Email: info@aihw.gov.au
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Rebecca Bennetts, Elizabeth Dernie, Adam Majchrzak-Smith and Adrian Webster collected and analysed the data and wrote this publication.

Abbreviations

ABS	Australian Bureau of Statistics
AIHW	Australian Institute of Health and Welfare
DVA	Australian Government Department of Veterans' Affairs
GFC	Global Financial Crisis
GP	General Practitioner
HEAC	Health Expenditure Advisory Committee
IPD	Implicit Price Deflator
MBS	Medicare Benefits Schedule
NHA	National Health Accounts
OECD	Organisation for Economic Co-operation and Development
PBS	Pharmaceutical Benefits Scheme
PHIIS	Private Health Insurance Incentives Scheme
PHOFAs	Public Health Outcome Funding Agreements
RPBS	Repatriation Pharmaceutical Benefits Scheme

Symbols

—	nil or rounded down to zero
..	not applicable
n.e.c.	not elsewhere classified

Summary

This report extends the analysis presented in *Health expenditure Australia 2011–12* to further explore expenditure on particular categories of health goods and services, including hospitals, primary health care, other recurrent health expenditure and capital expenditure.

Over the decade from 2001–02 to 2011–12, expenditure increased in real terms for all areas of expenditure: from \$31.0 billion to \$53.5 billion for hospitals; from \$30.8 billion to \$50.6 billion for primary health care; from \$16.9 billion to \$28.3 billion for other recurrent health expenditure; and from \$4.2 billion to \$7.9 billion for capital expenditure.

Growth did not occur at the same rate for all areas of expenditure. Between 2001–02 and 2005–06, the share of recurrent expenditure attributed to hospitals increased from 39.4% to 40.6%. The share for primary health care decreased over this time from 39.1% to 37.8%. No clear trend has been evident for expenditure in these areas since 2005–06. In 2011–12, hospitals comprised 40.4% of recurrent expenditure and primary health care comprised 38.2%.

The changing proportions of health expenditure are affected by the sources of funds (i.e. who is paying) and the decisions and agreements made about funding levels. In recent years, the relative share of Australian Government funding directed towards primary health care has increased while the share directed towards hospitals has decreased. Between 2001–02 and 2003–04, for every \$1 the Australian Government spent on hospitals, it spent on average \$0.97 on primary health care. In 2011–12, the Australian Government spent around \$1.16 on primary health care for every \$1 it provided for hospitals. In contrast, the state and territory governments increased the share of their recurrent expenditure allocated to hospitals from 63.0% to 69.0% over the decade and decreased the share allocated to primary health care from 29.1% to 21.4%.

Between 2001–02 and 2011–12, total growth in state and territory government funding for hospitals (\$11.5 billion) was almost double (1.8 times) that of the Australian Government (\$6.2 billion) and 2.4 times non-government expenditure growth (\$4.8 billion).

Expenditure trends also varied between the states and territories. Western Australia had the largest growth in state government funding for hospitals, more than doubling (2.16 times) its expenditure on hospitals between 2001–02 and 2011–12. Average annual growth in Victoria (4.3%) and New South Wales (4.8%) was below the national average of 5.6%.

The Northern Territory went from having the lowest Australian Government funding on health per person in 2001–02 (\$1,697) to the highest in 2011–12 (\$3,379). Western Australia had the slowest growth in Australian Government funding per person. In 2011–12, Western Australia had the lowest Australian Government expenditure at \$2,270 per person (\$350 lower than the national average).

Per person health expenditure by the Western Australia government was 2.5 times larger in 2011–12 (\$2,219) than in 2001–02 (\$891). South Australia, the Northern Territory and the Australian Capital Territory also more than doubled their per person expenditure between 2001–02 and 2011–12. Non-government expenditure was the highest in Victoria in both 2001–02 (\$1,550 per person) and 2011–12 (\$2,165 per person). In 2001–02, the Northern Territory was \$393 per person below the national average while in 2011–12 it was \$596 per person below the national average.

1 Introduction

This report has been produced as a companion to *Health expenditure Australia 2011–12*. *Health expenditure Australia 2011–12* focused on a national overview of health expenditure trends, whereas this report explores expenditure on specific areas of health: hospitals, primary health care, other recurrent expenditure and capital expenditure (see Box 1.1).

Box 1.1: Broad areas of health expenditure

Hospitals

Hospitals expenditure includes recurrent (see Glossary) spending on health goods and services provided by public and private hospitals. It includes services provided to a patient who is receiving admitted patient services or non-admitted patient services in a hospital, but *excludes* dental services, community health services, patient transport services, public health activities and health research undertaken within the hospital. It can include services provided off-site, such as hospital-in-the-home, dialysis or other services.

Primary health care

Primary health care expenditure includes recurrent expenditure on health goods and services such as medical services, dental services, other health practitioner services, pharmaceuticals and community and public health services. Primary health care services are delivered in numerous settings such as general practices, community health centres, allied health practices (for example, physiotherapy, dietetic and chiropractic practices, tele-health) and under numerous funding arrangements.

Other recurrent expenditure

Other recurrent expenditure includes recurrent expenditure on health goods and services such as medical specialists services (those non-hospital medical services that have not been classified as primary health care), health research, administration, patient transport services and medical aids and appliances.

Capital expenditure

Capital expenditure includes expenditure on fixed assets (for example, new buildings and equipment with a useful life that extends beyond 1 year). This does not include changes in inventories. This term is used in this publication to refer to what the Australian Bureau of Statistics (ABS) calls 'gross fixed capital formation'.

See Appendix B for more information on the allocation of medical services expenditure to primary health care and other recurrent expenditure.

In examining expenditure on these areas over the past decade (from 2001–02 to 2011–12), this report analyses trends in the source of funds, such as the Australian Government, state and territory and local governments and non-government sources, which includes private health insurers, out-of-pocket expenses paid by individuals and payments by injury compensation insurers.

The main data source for this report is the AIHW's Health expenditure database, which is collated annually using data from a wide range of sources, including:

- the Australian Government from agencies such as the Department of Health, the Department of Veterans' Affairs (DVA) and the ABS

- State and territory governments through the Government Health Expenditure National Minimum Dataset
- the Private Health Insurance Administration Council
- other research collections.

The tables and figures in this publication provide expenditure primarily in constant prices. Constant price expenditure adjusts for the effects of inflation using either annually re-weighted chain price indexes produced by the ABS, or implicit price deflators (IPDs) produced by the ABS or AIHW. Because the reference year for both the chain price indexes and the IPDs is 2011–12, the constant price estimates indicate what expenditure would have been had 2011–12 prices applied in all years.

The analysis includes both recurrent and capital expenditure, as appropriate. See Box 1.1 for definitions of each of the broad areas of health expenditure.

More information on the data sources used or the methods for developing the AIHW's Health expenditure database can be found in *Health expenditure Australia 2011–12* or on the AIHW's website <www.aihw.gov.au/expenditure/>. A data quality statement for the health expenditure database is available at: <<http://meteor.aihw.gov.au/content/index.phtml/itemId/540775>>.

1.1 Structure of this report

Chapter 2 presents an overview of current trends in health spending, broken down into spending on hospitals, primary health care, other areas of health spending and capital expenditure.

Chapter 3 presents an analysis of hospitals expenditure by source of funds for each state and territory.

Chapters 4 and 5 present similar analysis for primary health care and all other areas of health spending, respectively.

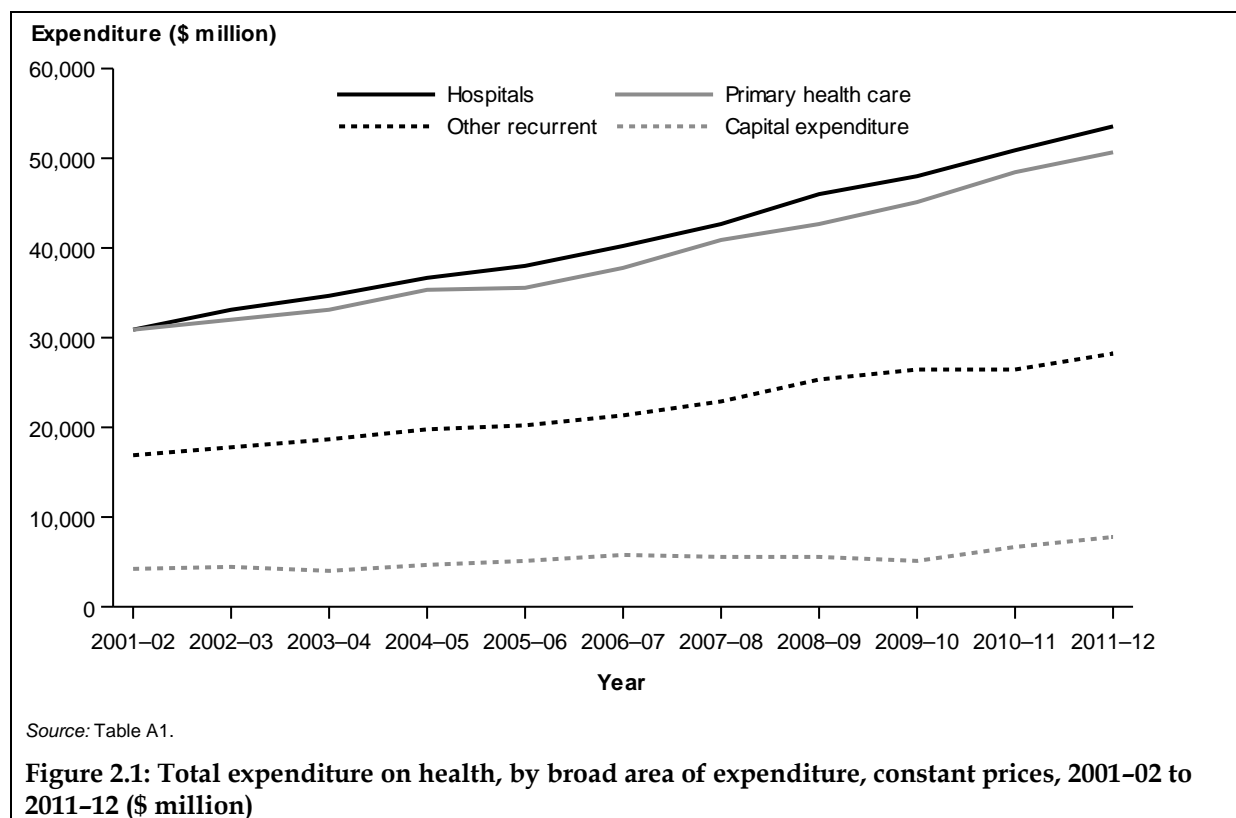
Appendix A presents all of the source tables for figures in this report.

Appendix B presents the technical notes for this report.

2 Overview of trends in health expenditure

2.1 National comparisons

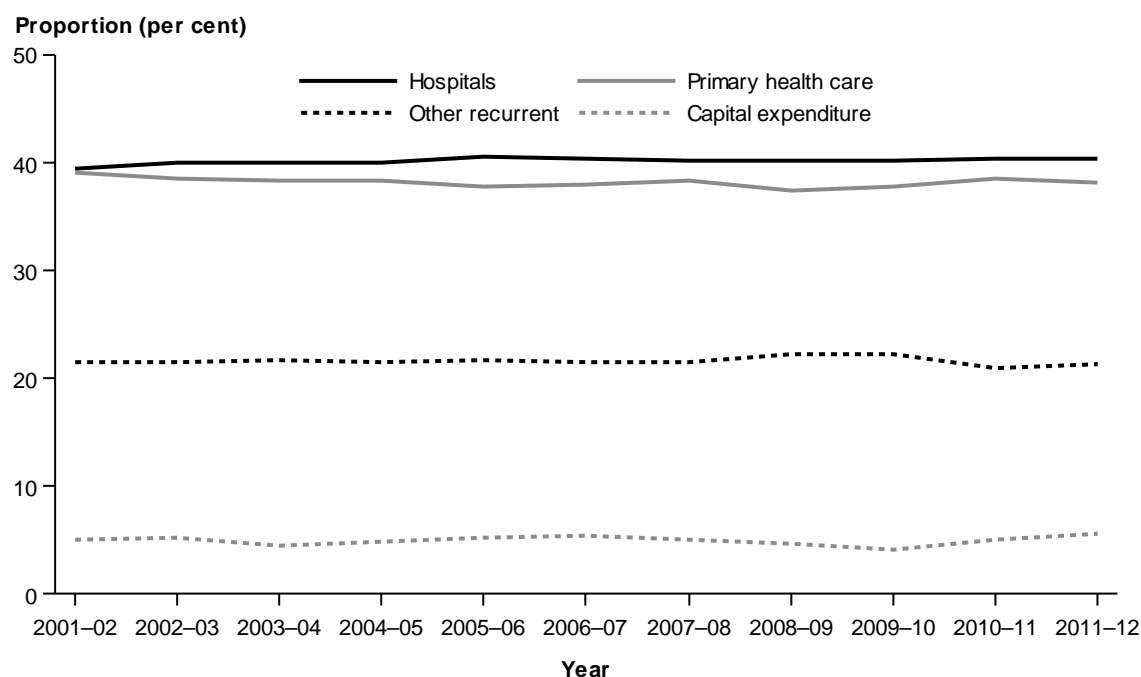
Over the decade from 2001–02 to 2011–12, expenditure increased for all areas, however, the growth rates for each area were different (Figure 2.1).



The different growth rates are reflected in the share of expenditure allocated to each sector, with the most variation occurring in hospitals and primary health care. Between 2001–02 and 2005–06, the share of recurrent expenditure attributed to hospitals increased from 39.4% to 40.6% (Table A1; Figure 2.2 and AIHW 2013b). The share for primary health care decreased over this time from 39.1% to 37.8%. Both, however, have shown no clear trend since then, with hospitals ending the period at 40.4% and primary health care at 38.2% (Table A1 and Figure 2.2).

The share of recurrent spending on other areas varied only slightly between 2001–02 and 2007–08, staying at around 21.5%. Since then, there has been more variation, with a peak in 2008–09 of 22.3% and a drop back to 21.3% in 2011–12.

Capital expenditure at the beginning of the reporting period represented 5.0% of total expenditure. At the end of the period it was at its highest proportion, at 5.6%.



Source: Table A1.

Figure 2.2: Share of expenditure on health, by broad area of expenditure, constant prices, 2001-02 to 2011-12 (%)

The remainder of this chapter examines, in turn, the funding of health care by the Australian Government, state and territory governments and the non-government sector.

The flow of money around the Australian health-care system is complex and is determined by the institutional frameworks in place, both government and non-government. Box 2.1 defines government and non-government funding for the Australian health-care system.

Box 2.1: Government and non-government funding of health care

The **government sector** includes the Australian and state and territory governments and, in some jurisdictions, local government.

Australian Government funding comprises total expenditure incurred by the Australian Government on its own health programs, including funding provided to the states and territories by way of grants under section 96 of the Constitution. It also includes the 30-40% private health insurance premium rebates.

State and territory government funding comprises total expenditure incurred by the state and territory governments on their own health programs. It does not include the funding provided to the states and territories by the Australian Government or other sources.

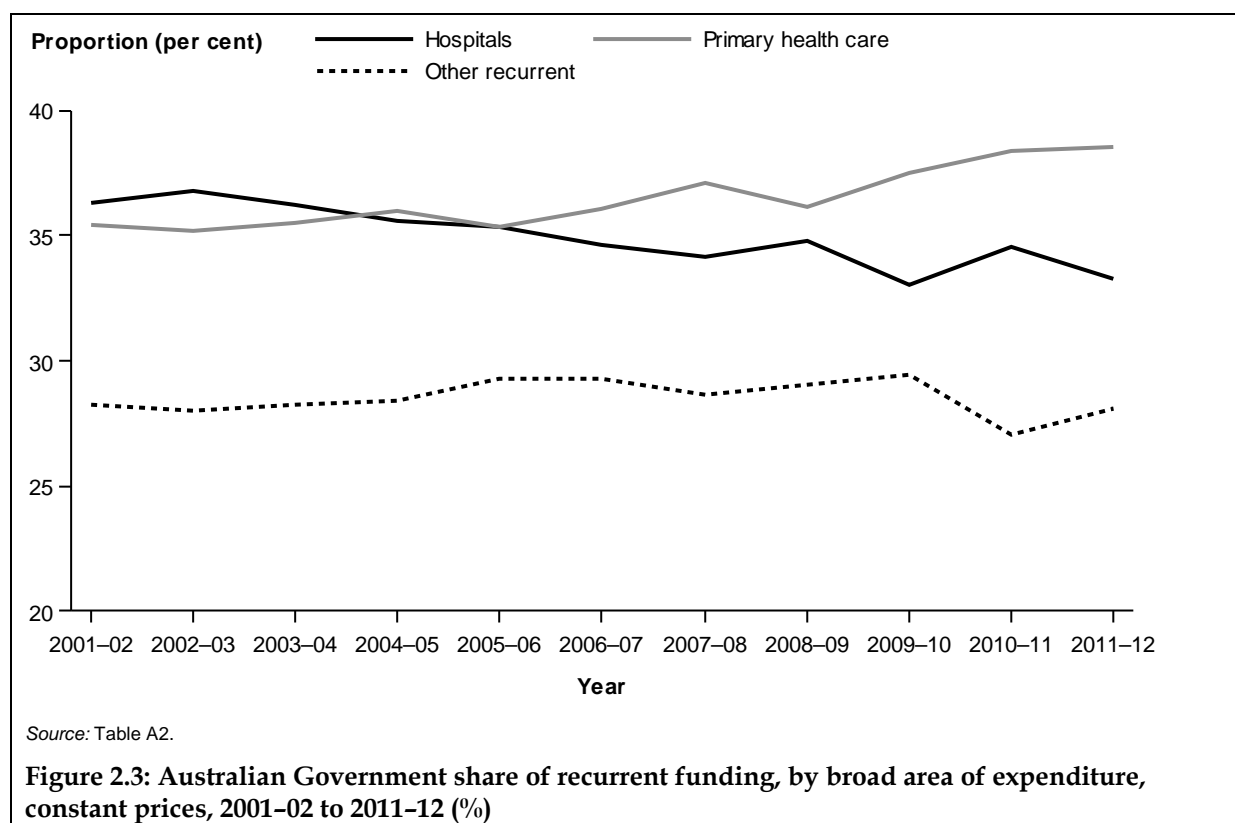
Non-government funding comprises funding from private health insurers, out-of-pocket expenses paid by individuals and payments by injury compensation insurers.

Australian Government funding

Between 2001–02 and 2003–04, for every \$1 the Australian Government spent on hospitals, it spent on average \$0.97 on primary health care. Since 2003–04 the ratio of Australian Government spending on primary health care compared with hospitals has gradually increased. In 2011–12, the Australian Government spent around \$1.16 on primary health care for every dollar provided to the states and territories for hospitals (Table A2).

Between 2001–02 and 2009–10, Australian Government funding for other areas of health increased from \$10.3 billion to \$15.9 billion; however the share of funding remained relatively stable at around 28%. In 2010–11, the share of funding decreased to 27.0% before increasing again to 28.1% in 2011–12 (Table A2 and Figure 2.3).

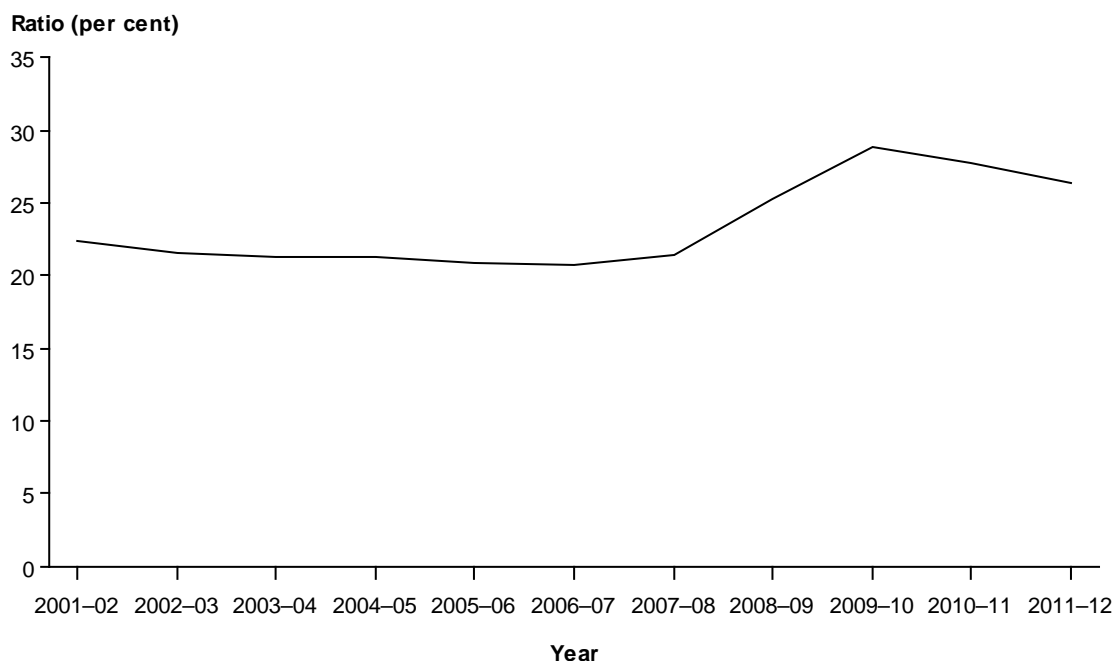
Capital expenditure by the Australian Government increased in real terms from \$84 million in 2001–02 to \$336 million in 2011–12. For each year across the decade 2001–02 to 2011–12, less than 1% of Australian Government funding for health was capital expenditure (Table A2).



Australian Government expenditure as a ratio of tax revenue

As reported in *Health expenditure Australia 2011–12*, the ratio of Australian Government expenditure on health to tax revenue was 22.3% in 2001–02. This ratio steadily declined to 21.2% in 2007–08 (Figure 2.4 and Table A3).

A drop in tax revenue following the global financial crisis (GFC) caused the ratio to increase to 25.0% in 2008–09 and to 28.6% in 2009–10. The ratio declined in the next 2 years to 27.5% in 2010–11 and 26.2% in 2011–12.



Source: Table A3.

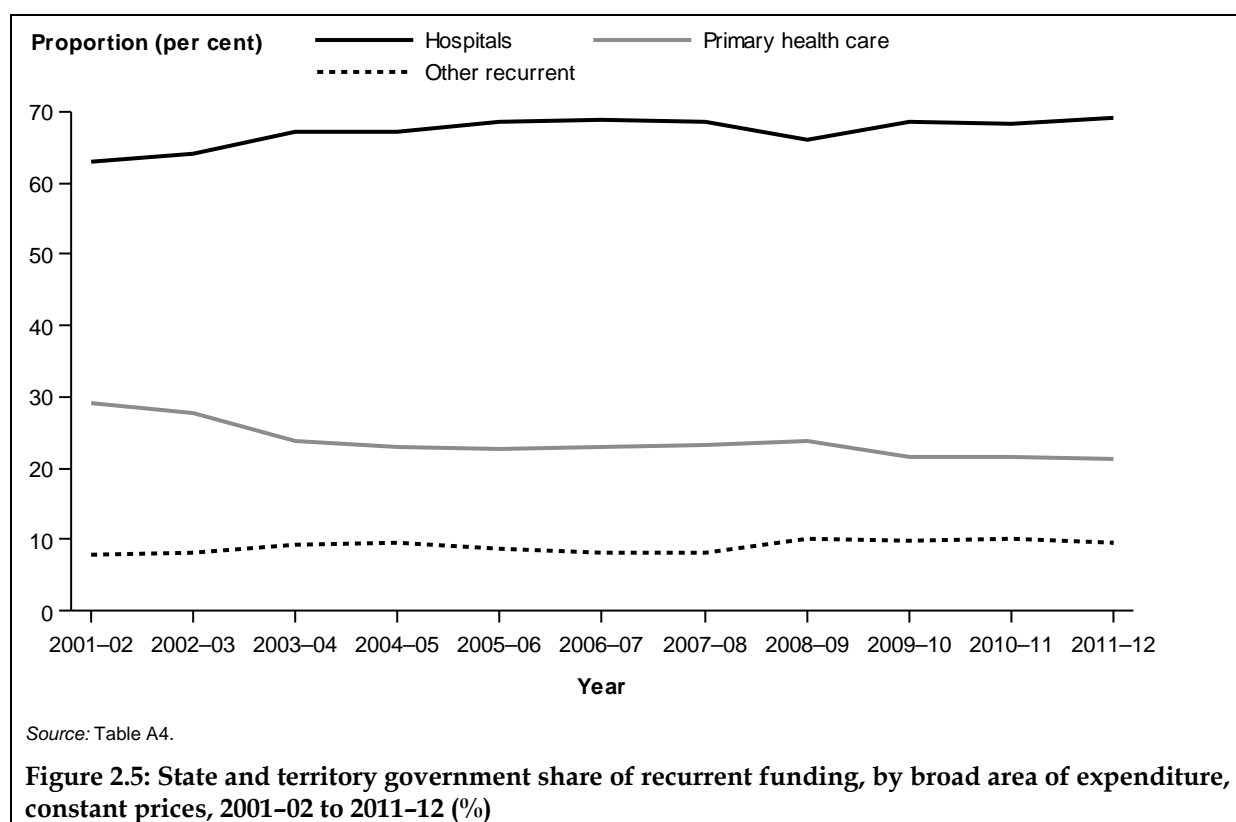
Figure 2.4: The ratio of health expenditure to tax revenue for the Australian Government, current prices, 2001-02 to 2011-12 (%)

State and territory government expenditure

The state and territory governments generally increased the share of their recurrent expenditure allocated to hospitals over the period 2001-02 to 2011-12, while reducing the share spent on primary health care. The hospitals share of recurrent spending increased from 63.0% to 69.0%, while the primary health care share fell from 29.1% to 21.4% over this period (Table A4 and Figure 2.5).

The share allocated to 'other' areas (i.e. other than hospitals and primary health care) varied far less than either hospitals or primary health care shares and the trend was less clear. It began the period at 8.0% and ended it at 9.6% but growth was not consistent over time (Table A4 and Figure 2.5).

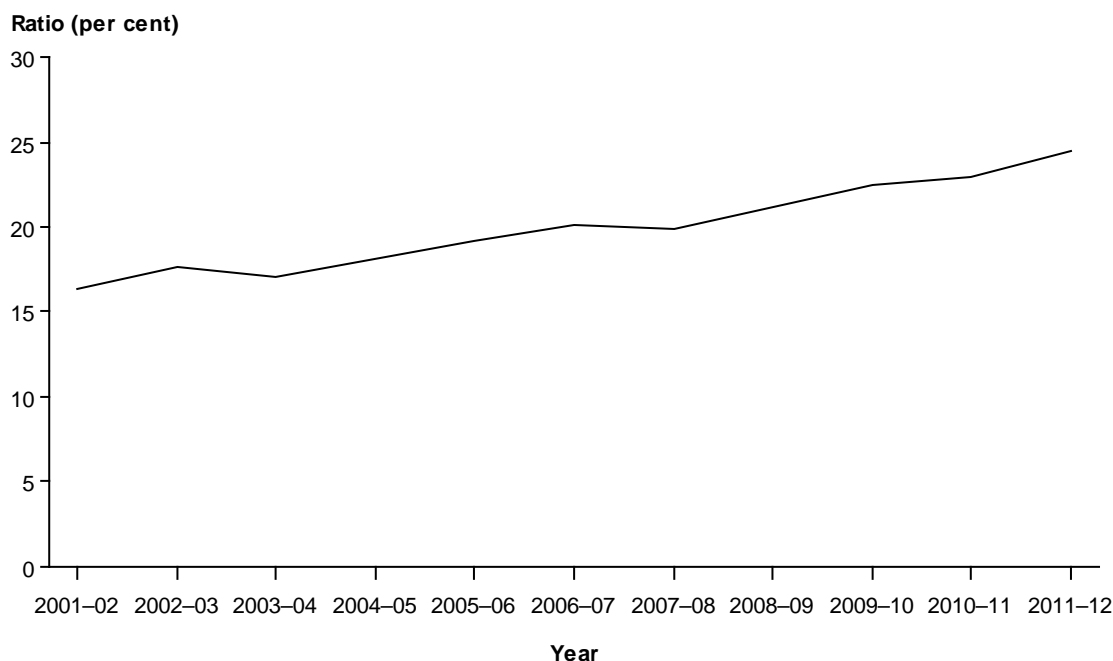
The ratio of capital to total health spending remained relatively stable at around 8% between 2001-02 and 2009-10. However, it increased to 11.9% in 2010-11 and 13.3% in 2011-12 (Table A4).



State and territory government expenditure as a ratio of tax revenue

The ratio of state and territory government expenditure to tax revenue rose from 16.4% in 2001-02 to 17.7% in 2002-03, before declining to 17.0% in 2003-04. By 2006-07, this ratio had risen to 20.1%. At the time of the GFC, the ratio rose to 21.2% in 2008-09 before further gradual increases to 24.5% in 2011-12 (Table A5 and Figure 2.6).

An analysis of the ratio of state and territory government funding on health to tax revenue is also discussed in Chapter 2 of *Health expenditure Australia 2011-12* (AIHW 2013b).



Source: Table A5.

Figure 2.6: The ratio of health expenditure to tax revenue for state and territory governments, current prices, 2001-02 to 2011-12 (%)

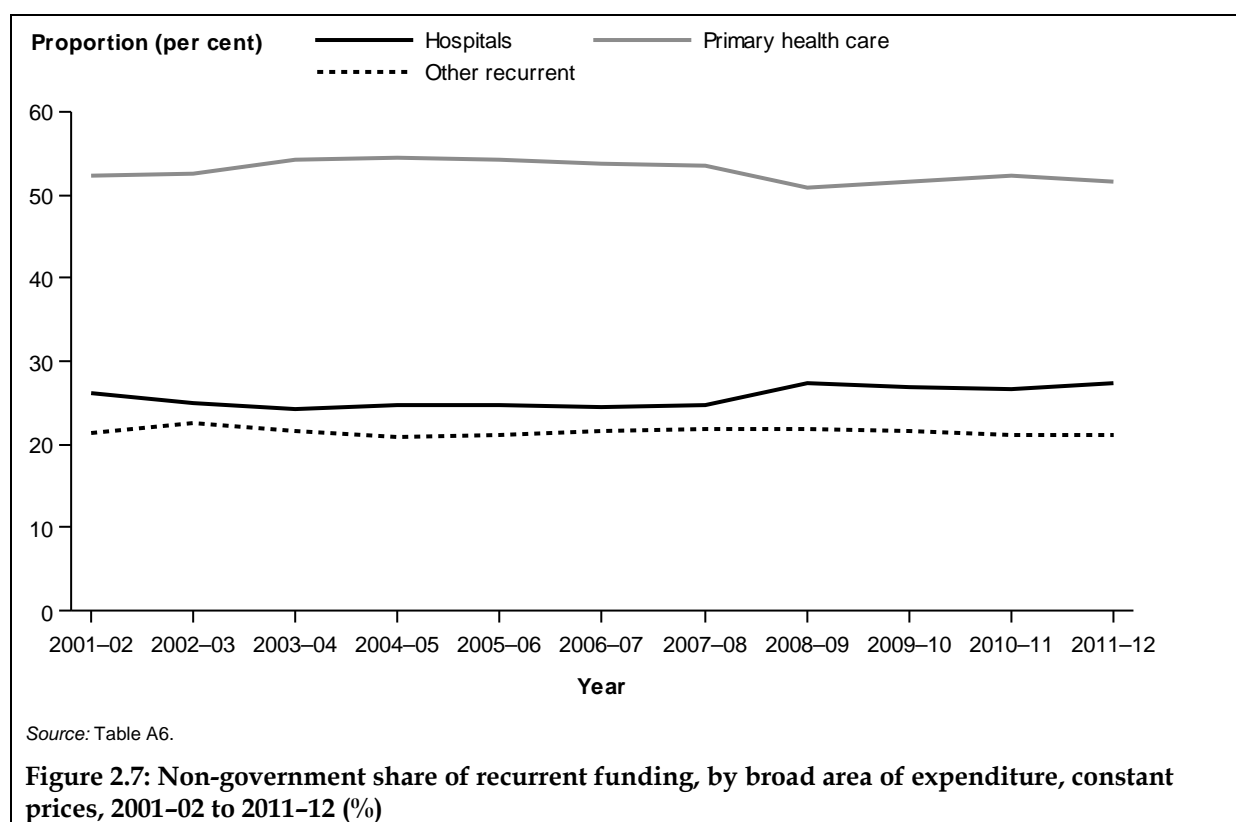
Non-government funding

After increasing between 2001-02 and 2004-05 from 52.4% to 54.5%, the share of non-government spending attributed to primary health care dropped to a low of 50.8% in 2008-09. It ended the period at 51.5% in 2011-12 (Table A6 and Figure 2.7).

The share of non-government spending attributed to hospitals fell from 26.3% in 2001-02 to 24.2% in 2003-04. It then stayed at around 25% until 2008-09, at which point it rose to a high of 27.4%. It ended the period at 27.3% (Table A6 and Figure 2.7).

The share of non-government spending attributed to other areas of spending began the period at 21.3% and ended the period at 21.2%; however during that time it varied from a low of 20.9% in 2004-05 to a high of 22.5% in 2002-03 (Table A6 and Figure 2.7).

The remainder of non-government spending was for capital expenditure. In 2001-02, 9.0% of total non-government spending was attributed to capital expenditure. This share increased to a high of 10.1% in 2006-07 and 2007-08 and has since declined to a low of 5.6% in 2011-12 (Table A6).



2.2 Funding comparisons across jurisdictions

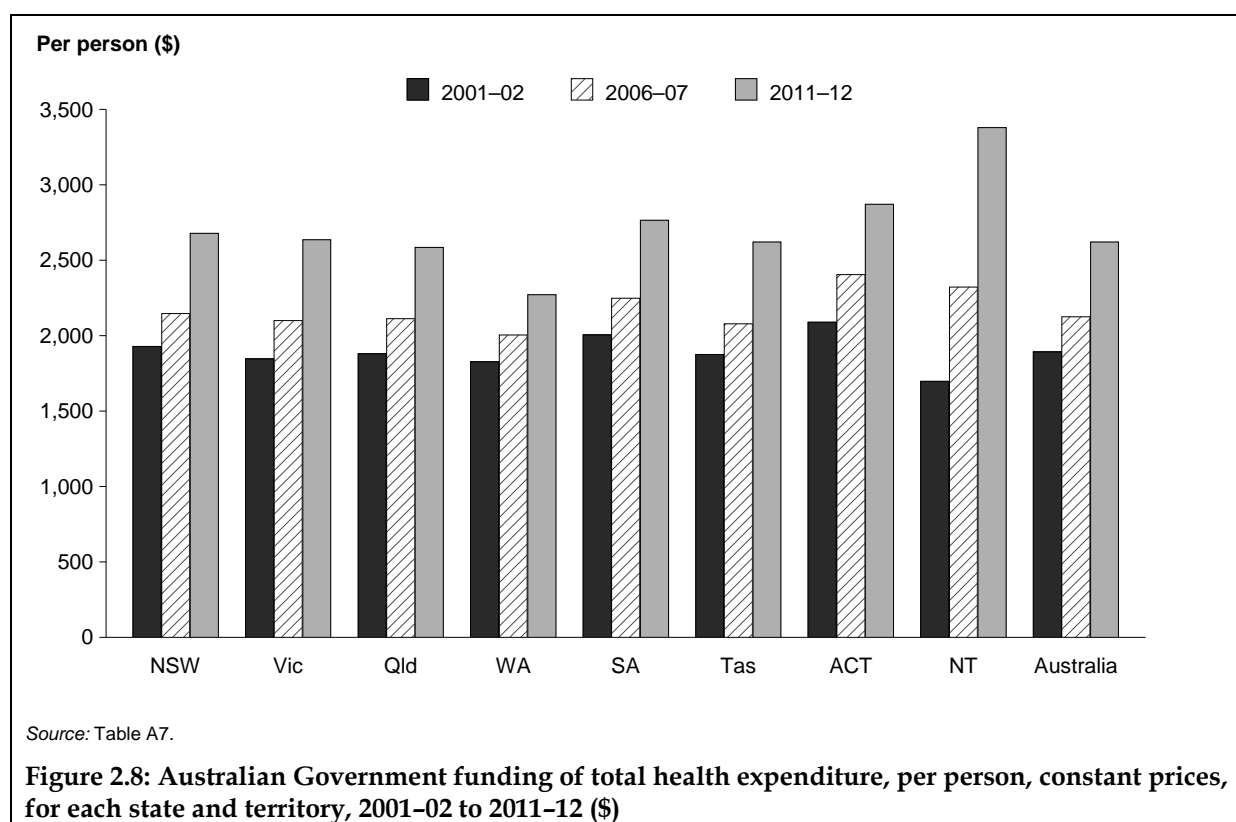
Australian Government funding

Australian Government funding per person varies across jurisdictions for a number of reasons including socioeconomic and demographic profiles as well as variable accessibility to health services due to remoteness (AIHW 2013a). The Australian Government also implements specific health policies that can affect the per person expenditure in jurisdictions differently.

Australian Government funding has risen in all states and territories over the past decade. In 2011-12, the estimated Australian Government funding per person on health averaged \$2,620, which was \$728 more in real terms than in 2001-02 (Table A7 and Figure 2.8).

Over the past decade, Australian Government funding grew the fastest in the Northern Territory. The Northern Territory went from having the lowest Australian Government funding per person in 2001-02 (\$1,697) to the highest in 2011-12 (\$3,379).

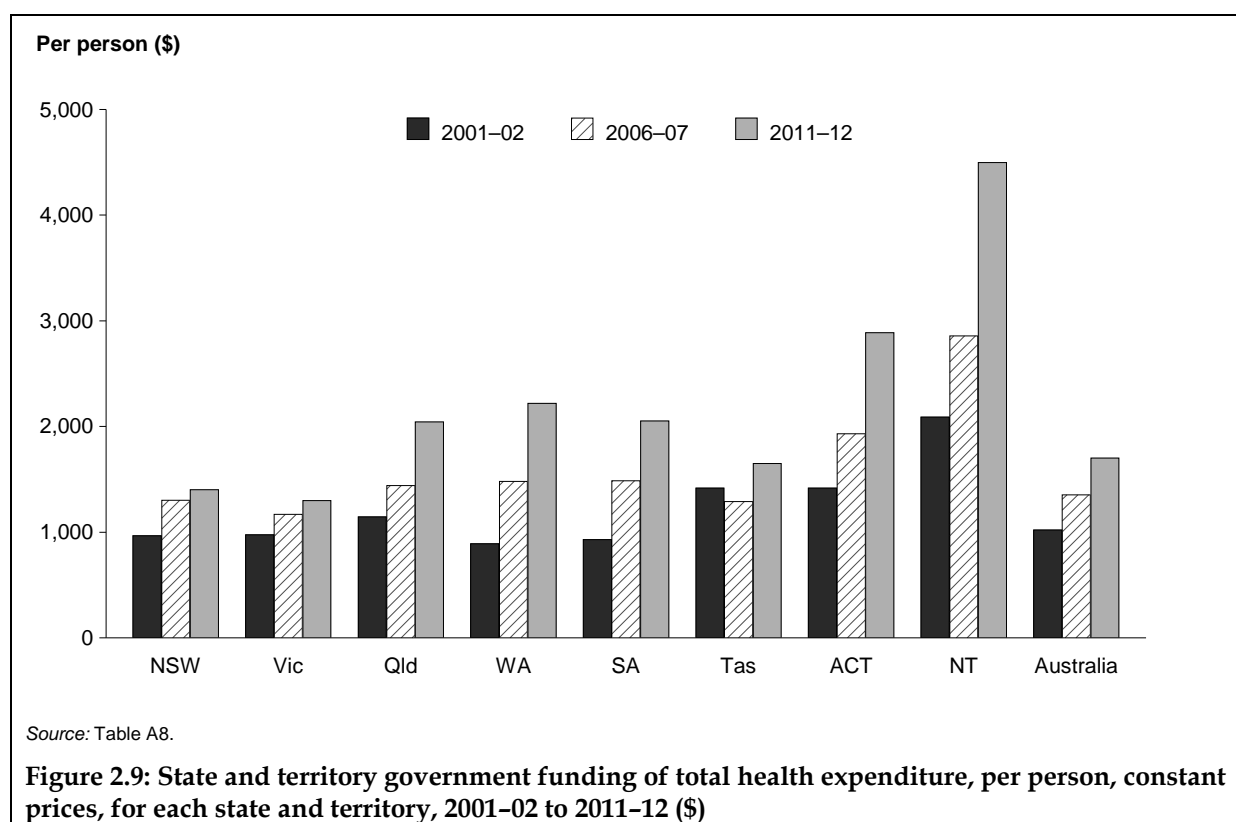
Western Australia had the slowest growth in Australian Government funding per person, with an average growth rate of 2.2% over the decade, compared with growth of 3.3% nationally. In 2011-12, Western Australia had the lowest Australian Government funding at \$2,270 per person, which was \$350 lower than the national average and \$315 below the next lowest state (Queensland at \$2,585 per person).



State and territory government funding

All state and territory governments increased their health funding over the decade in real terms. This increase in per person state and territory government funding between 2001-02 (\$1,022) and 2011-12 (\$1,701) was \$679 (Table A8 and Figure 2.9).

Western Australia had the largest growth in state and territory government health funding. Per person expenditure in Western Australia in 2011-12 (\$2,219) was 2.5 times per person expenditure in 2001-02 (\$891). South Australia, the Northern Territory and the Australian Capital Territory also more than doubled their per person expenditure between 2001-02 and 2011-12.

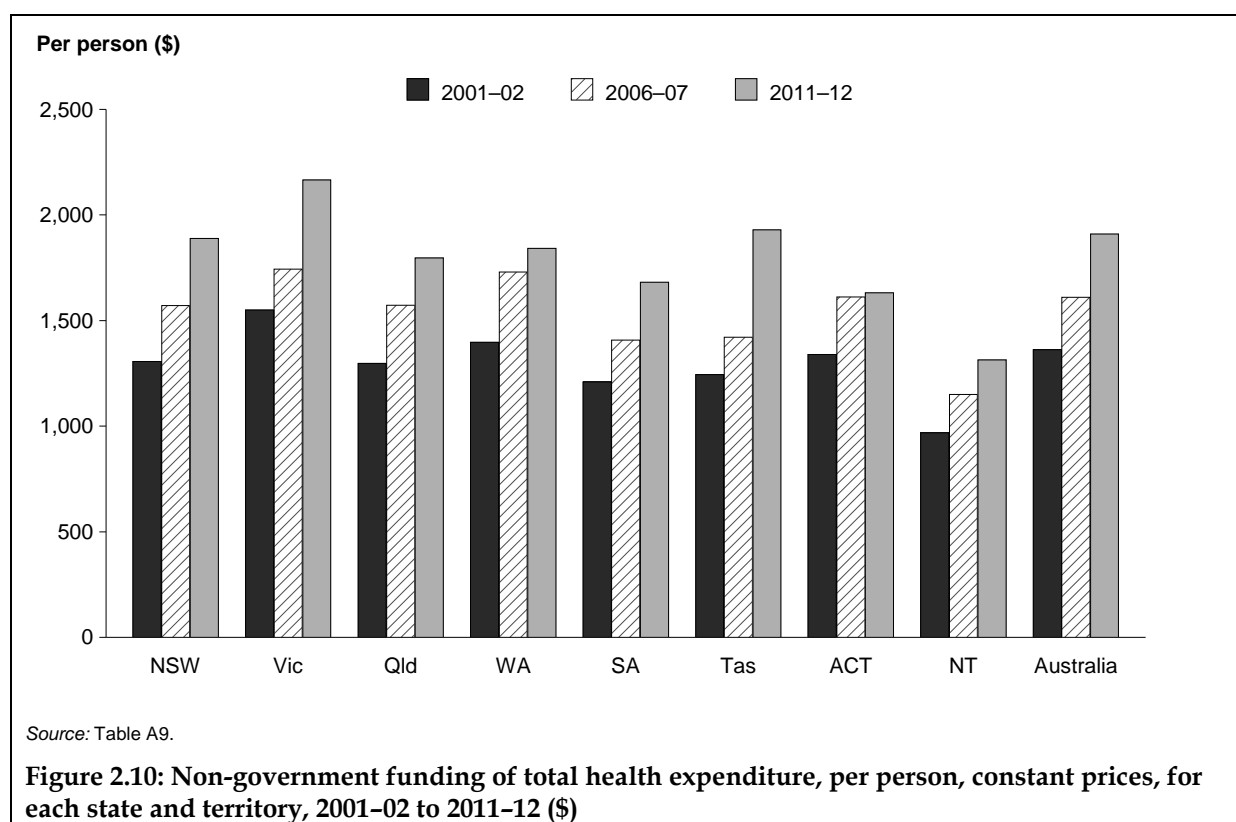


Non-government funding

Non-government funding of total health expenditure per person in 2011-12 was \$1,909 nationally, which was \$548 more than in 2001-02 (Table A9 and Figure 2.10).

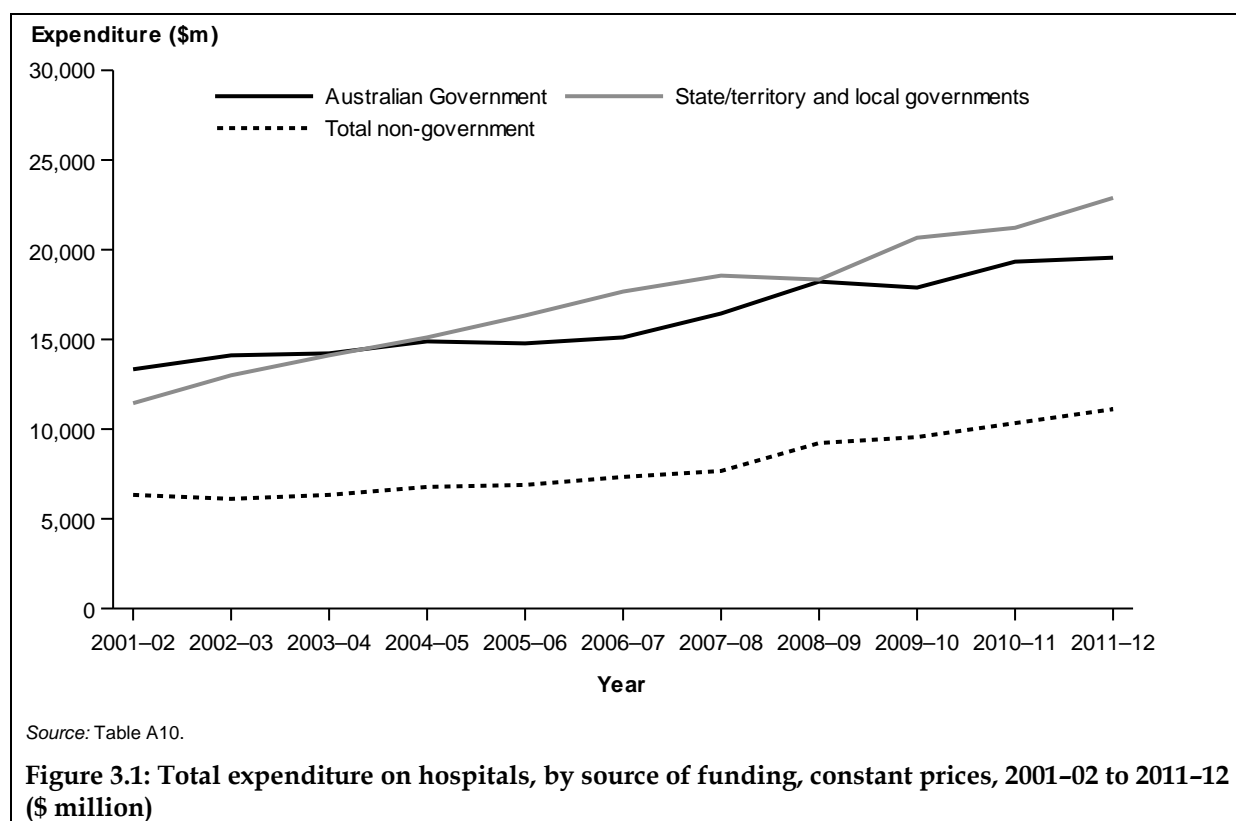
Victoria had the highest per person non-government health expenditure in both 2001-02 (\$1,550 or \$189 above the national average) and 2011-12 (\$2,165 or \$256 above the average).

Non-government expenditure per person in the Northern Territory stayed well below the national average throughout the period and the gap widened over time. In 2001-02, non-government expenditure in the Northern Territory was \$393 per person below the national average. In 2011-12, it was \$596 per person below the average.



3 Hospitals

All funders increased their expenditure on hospitals between 2001–02 and 2011–12 (Table A10 and Figure 3.1). Total growth in state and territory government funding (\$11.5 billion) was almost double (1.8 times) that of the Australian Government (\$6.2 billion) and 2.4 times the growth of non-government expenditure (\$4.8 billion).



3.1 Australian Government funding

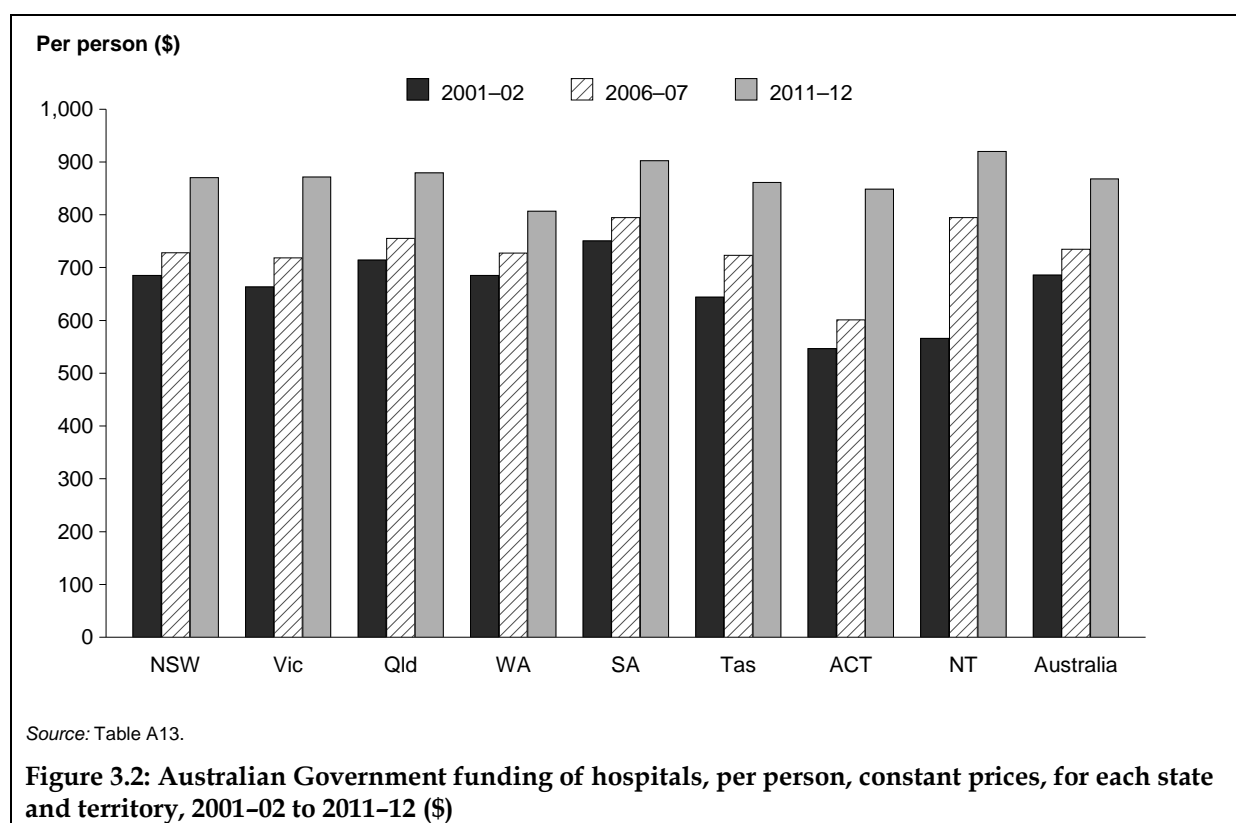
The Australian Government funding for hospitals in 2011–12 was \$868 per person Australia-wide, which was \$182 higher than in 2001–02 (Table A13 and Figure 3.2).

The Northern Territory had the largest growth in Australian Government funding for hospitals per person over the decade 2001–02 to 2011–12 at 5.0%, on average, per year. The Northern Territory received the second lowest contribution from the Australian Government for hospitals in 2001–02 at \$566 per person (\$120 below the national average). In 2011–12, the Northern Territory received the largest contribution at \$920 per person (\$52 above the national average).

The Australian Capital Territory received the lowest contribution for hospitals per person from the Australian Government in all years except 2011–12, but experienced the second largest growth over the period.

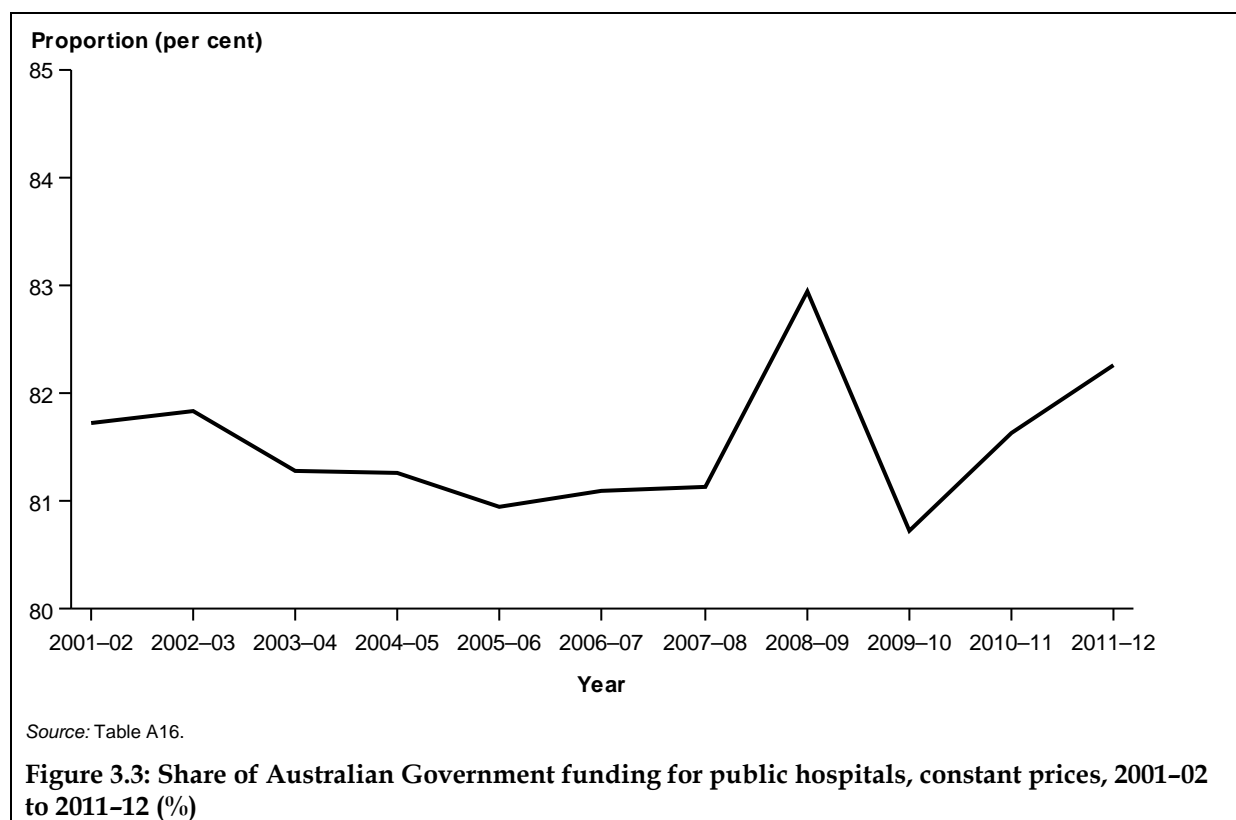
Western Australia experienced the lowest growth in Australian Government funding for hospitals, increasing by 1.18 times compared with a national growth of 1.27. In 2011–12,

Western Australia received the lowest amount of funding per person from the Australian Government of any jurisdiction.



Public versus private hospital Australian Government funding

The Australian Government provided \$13.3 billion of funding for hospitals in 2001-02, which comprised \$10.9 billion (81.7%) for public hospitals and \$2.4 billion for private hospitals (18.3%). The share of Australian Government funding provided for public hospitals gradually declined over the next 6 years to 81.1% in 2007-08. In 2008-09, following the GFC, there was an increase of \$1.8 billion in Australian Government funding for public hospitals, which represents an increase in the share it contributed to 82.9%. The injection of funds in 2008-09 has been followed by a more variable funding profile by the Australian Government for public hospitals (Table A16 and Figure 3.3).



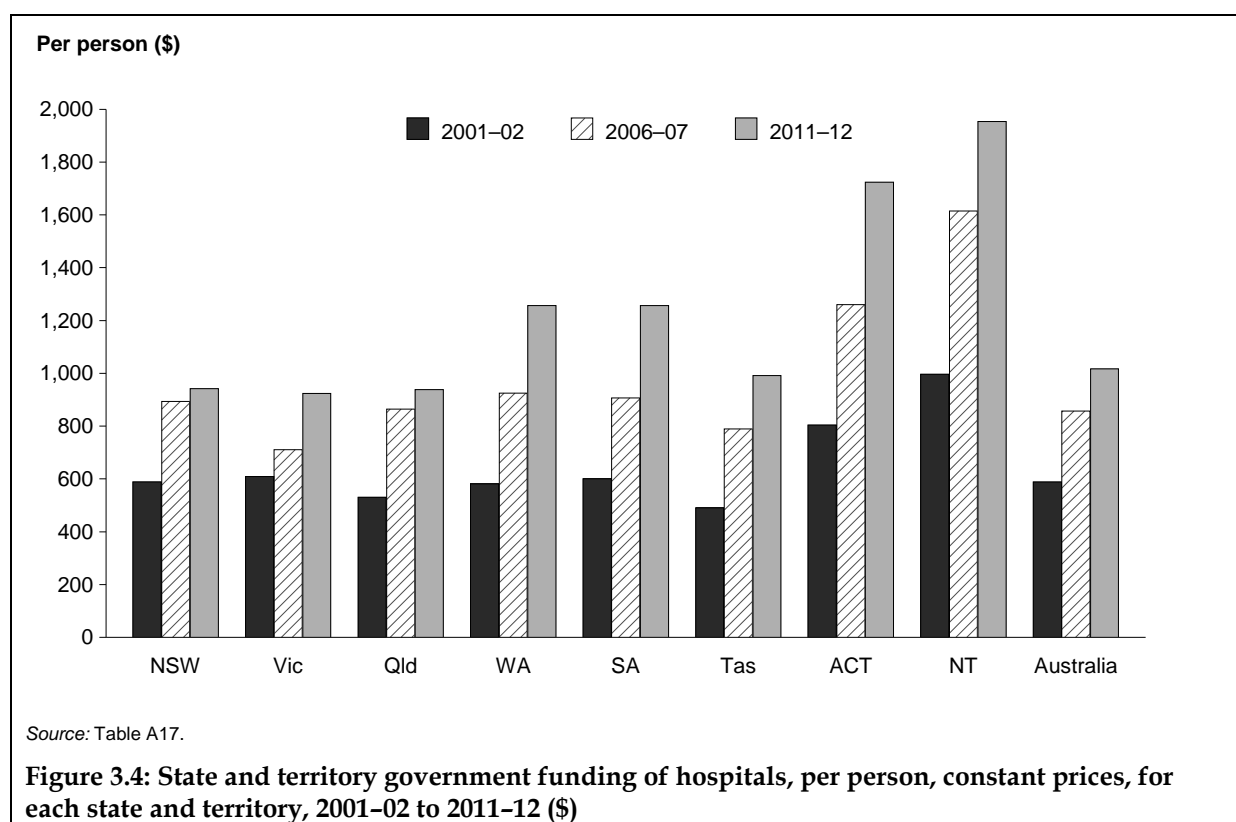
3.2 State and territory government funding

In 2011-12, the average per person state and territory government funding for public and private hospitals was \$1,017, a \$429 increase from 2001-02 (Table A17 and Figure 3.4).

The Northern Territory and the Australian Capital Territory governments spent relatively higher amounts of money on hospitals per person throughout the decade. In 2011-12, the Northern Territory had the highest per person state and territory expenditure on hospitals at \$1,953, which was \$936 higher than the national average. The Australian Capital Territory was the second highest at \$1,724, which was \$467 more than the next highest, Western Australia.

Western Australia had the largest growth in hospital expenditure, more than doubling (2.16 times) its expenditure on hospitals between 2001-02 and 2011-12.

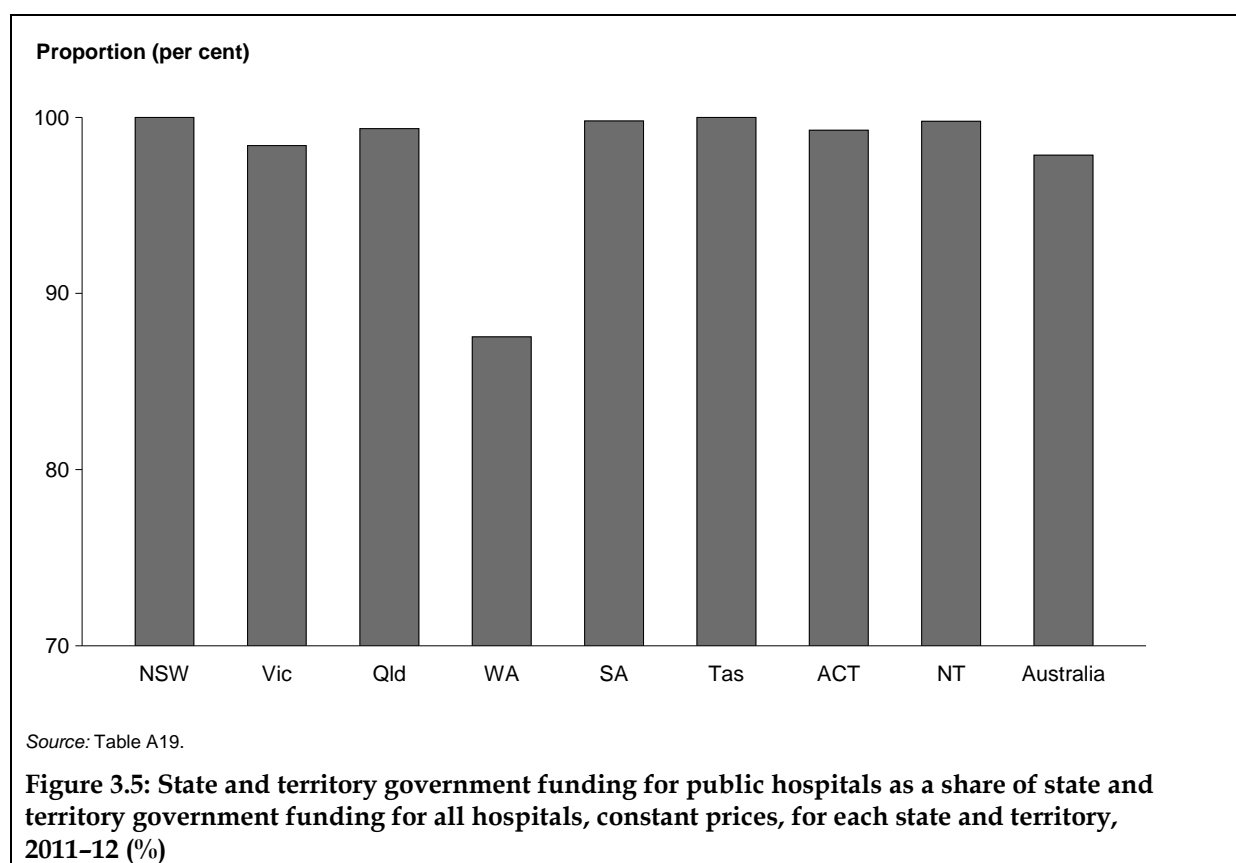
Victoria (4.3%) and New South Wales (4.8%) were the only jurisdictions to experience below average annual growth (5.6%) in their expenditure on hospitals over the period.



Public versus private hospital state and territory government funding by jurisdiction

In 2011-12, state and territory governments funded \$22.4 billion for public hospitals, which represented 97.8% of all state and territory government funding for hospitals (Table A19). This proportion did not change significantly over the previous decade.

For most states and territories, funding for public hospitals was close to 100% of hospital funding in 2011-12 and for most of the previous decade (Table A19 and Figure 3.5). Western Australia was an exception to this. Western Australia had the lowest share of state government funding for public hospitals each year between 2002-03 and 2011-12. In 2011-12, the share of state government funding for public hospitals in Western Australia was 87.5% (Figure 3.5 and Table A19).

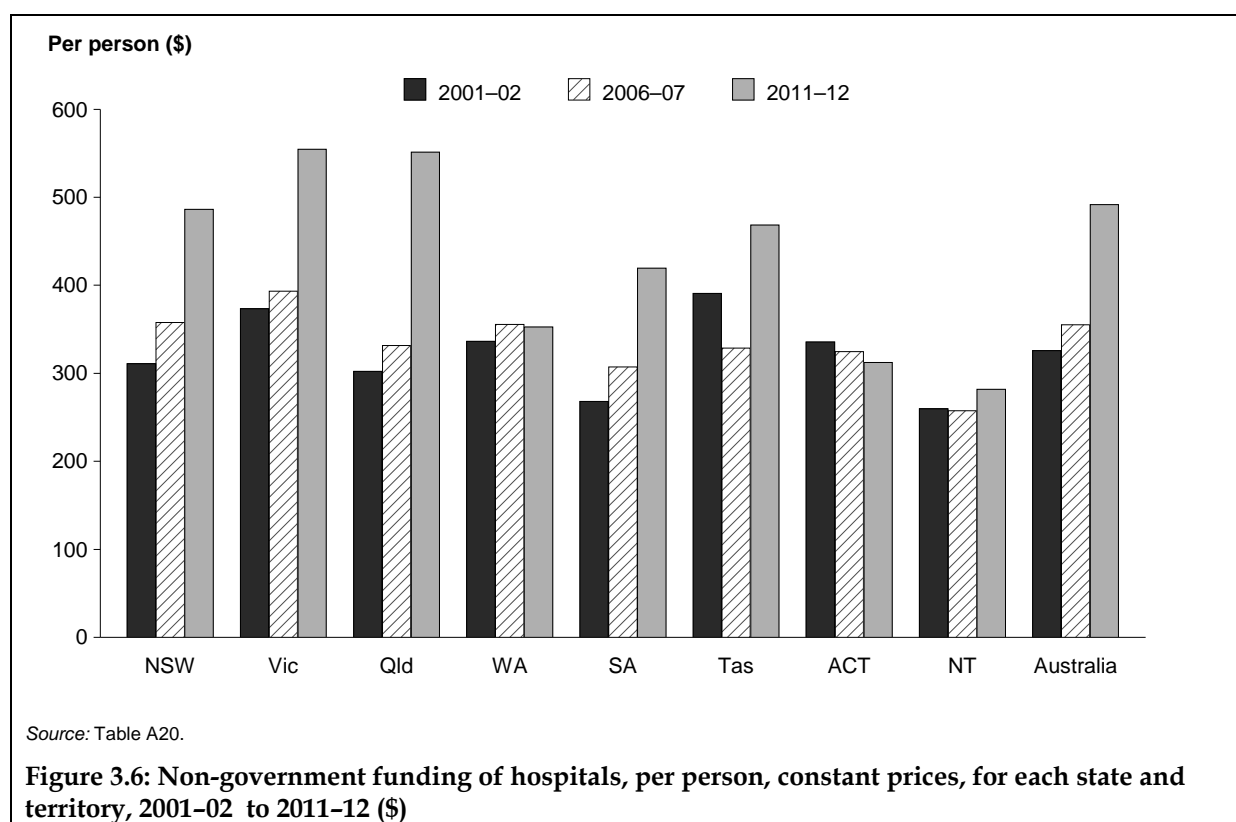


3.3 Non-government funding

In 2011-12, the average per person non-government health expenditure on hospitals was \$492, which had grown by \$166 per person since 2001-02 (Table A20 and Figure 3.6).

The Australian Capital Territory experienced a decline in real terms in non-government funding over the period of \$24 per person. Western Australia and the Northern Territory also had relatively low growth in non-government funding on hospitals over the period (\$17 and \$22, respectively).

Queensland had the largest growth, increasing by \$249 per person, with growth in New South Wales, Victoria and South Australia of 4.0% or higher each year.

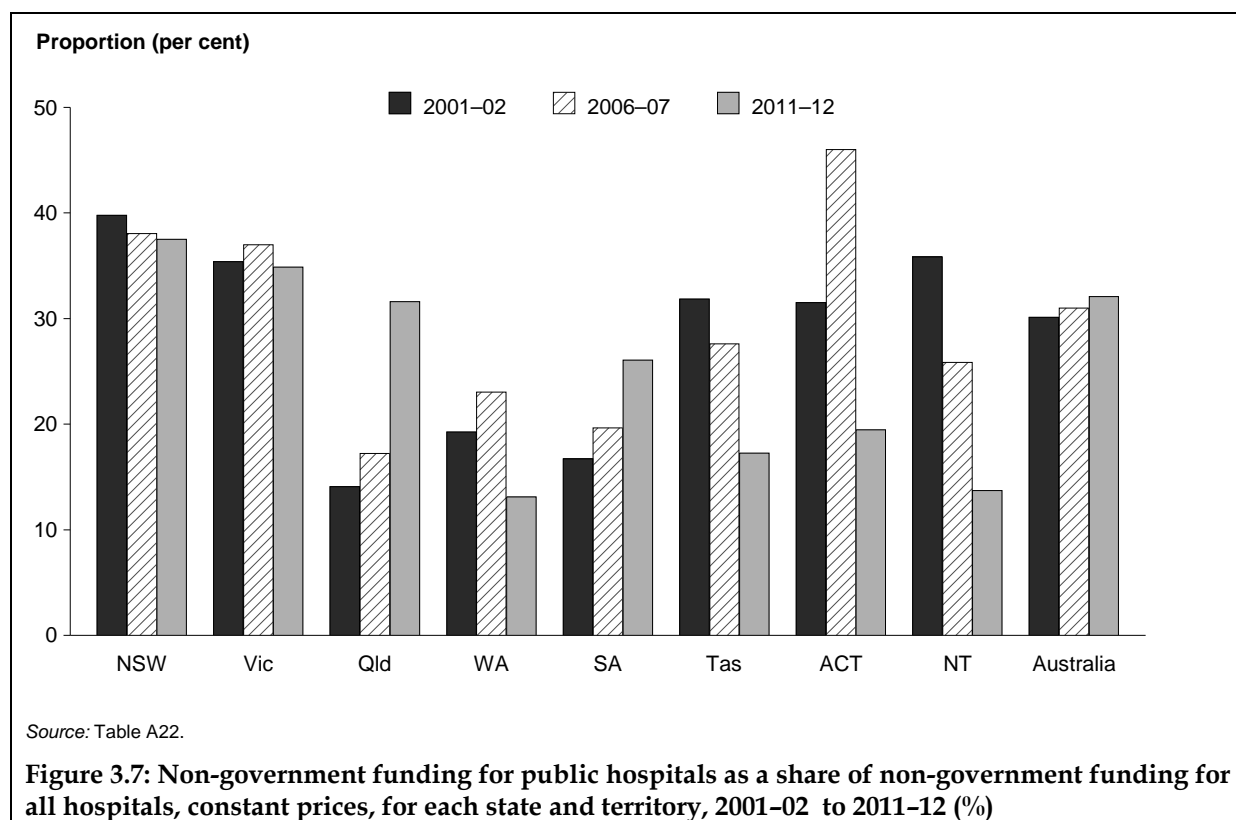


Public versus private hospital non-government funding by jurisdiction

In 2011-12, non-government funding for public hospitals was \$3.6 billion. Across the past decade, the non-government funding for public hospitals as a share of non-government funding for all hospitals, grew from 30.1% in 2001-02 to 32.1% in 2011-12 (Figure 3.7 and Table A22).

The share of non-government funding for public hospitals varied across the decade for each state and territory. Queensland had the lowest share of all states and territories in 2001-02, with just 14.1% of non-government funding for hospitals going to public hospitals. In 2011-02, this share had more than doubled to 31.6%, to be the third highest behind New South Wales (37.5%) and Victoria (34.9%) (Figure 3.7 and Table A22).

In contrast, non-government funding for public hospitals in the Northern Territory was 35.8% of all hospitals funding in 2001-02, and dropped to 13.7% in 2011-12 (Figure 3.7 and Table A22).



4 Primary health care

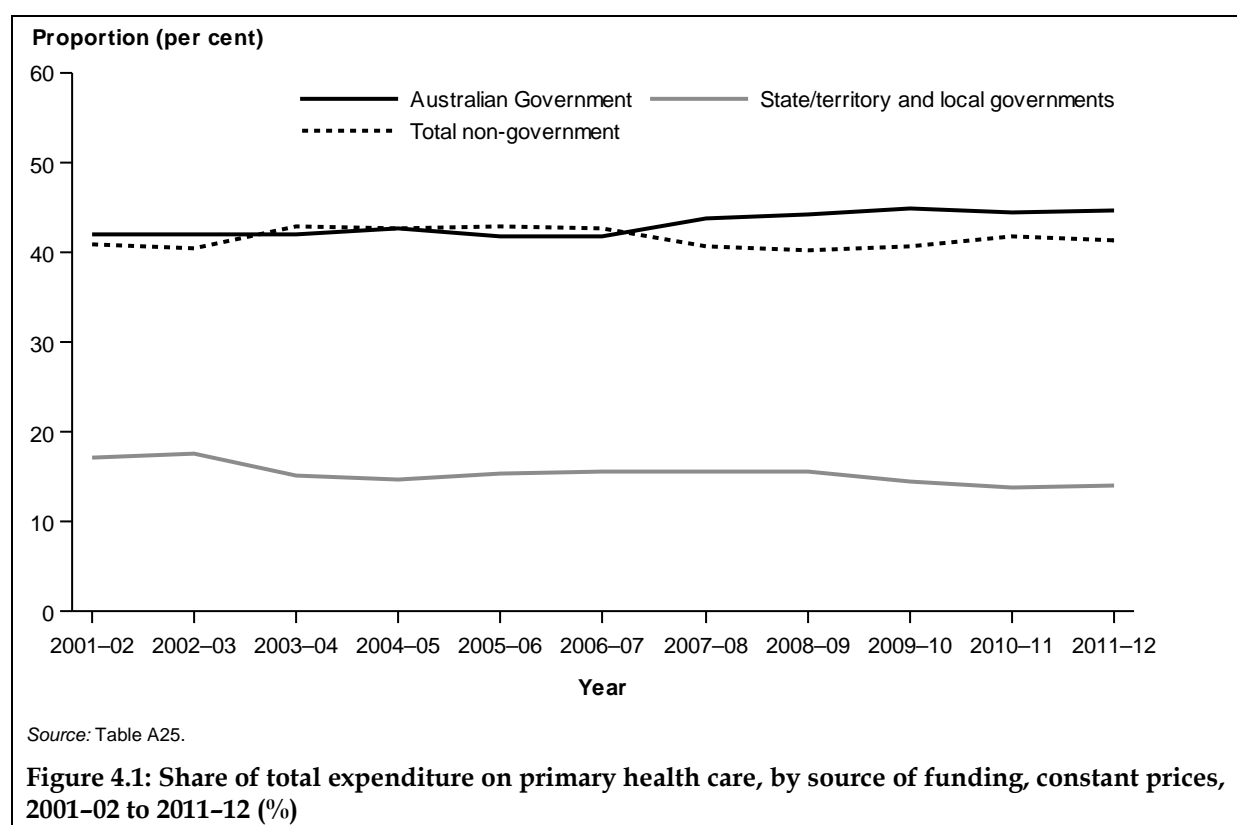
Primary health care services are delivered in numerous settings such as general practices, community health centres, allied health practices (for example, physiotherapy, dietetic and chiropractic practices and tele-health) and under numerous funding arrangements.

In 2011–12, \$50.6 billion was spent on primary health care in Australia, up from \$30.8 billion in 2001–02.

Over the most recent 5-year period, 2006–07 to 2011–12, total spending on primary health care grew from \$37.7 billion to \$50.6 billion. This was largely driven by an increase in Australian Government funding from \$15.8 billion to \$22.6 billion. This raised the Australian Government share from 41.8% to 44.7% of total primary health care expenditure (Figure 4.1 and Table A25).

Individuals' out-of-pocket funding, which is a sub-component of total non-government funding, was the other main driver of the increase in primary health care expenditure over the past 5 years. Individual out-of-pocket funding increased from \$12.9 billion in 2006–07 to \$17.2 billion in 2011–12 (Table A25).

The share of funding provided by state and territory governments and other non-government sources fell over this period (Table A25).

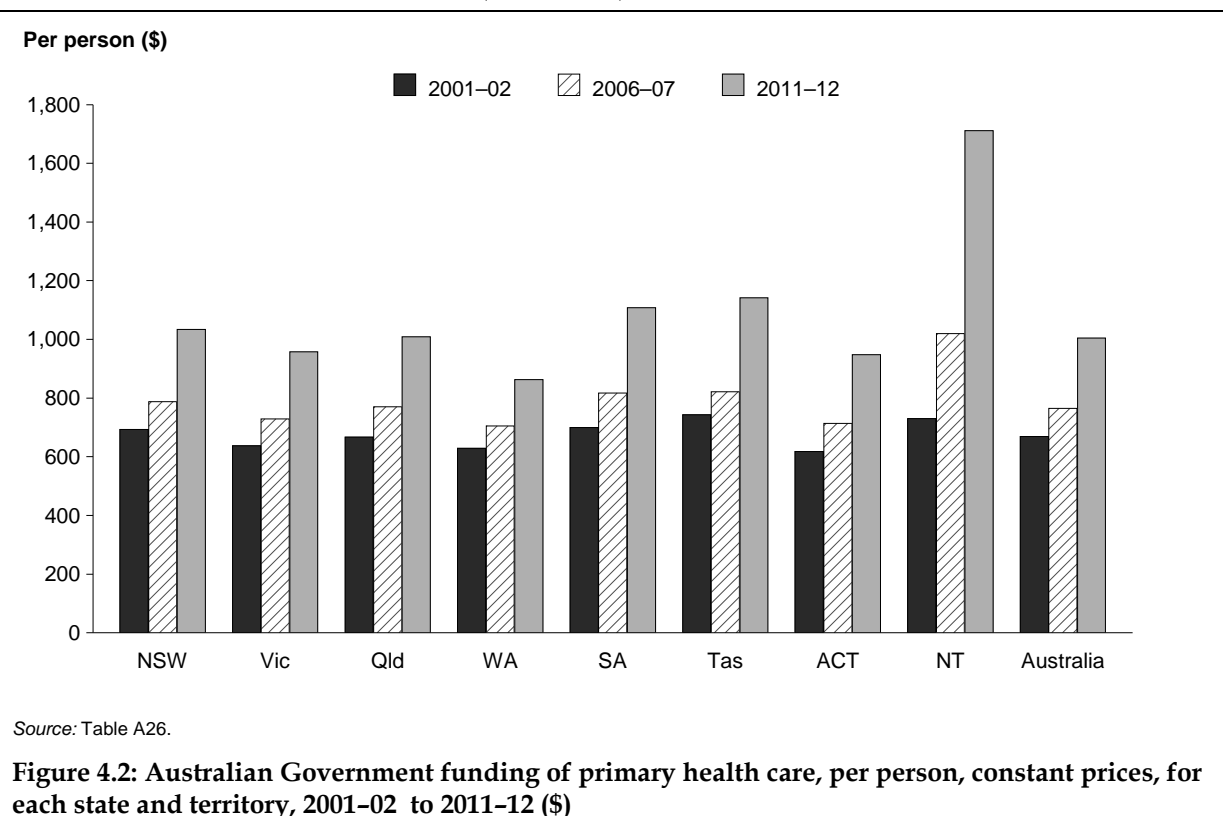


4.1 Australian Government funding

Australian Government funding of primary health care in 2011–12 was \$1,005 per person, up from \$669 in 2001–02.

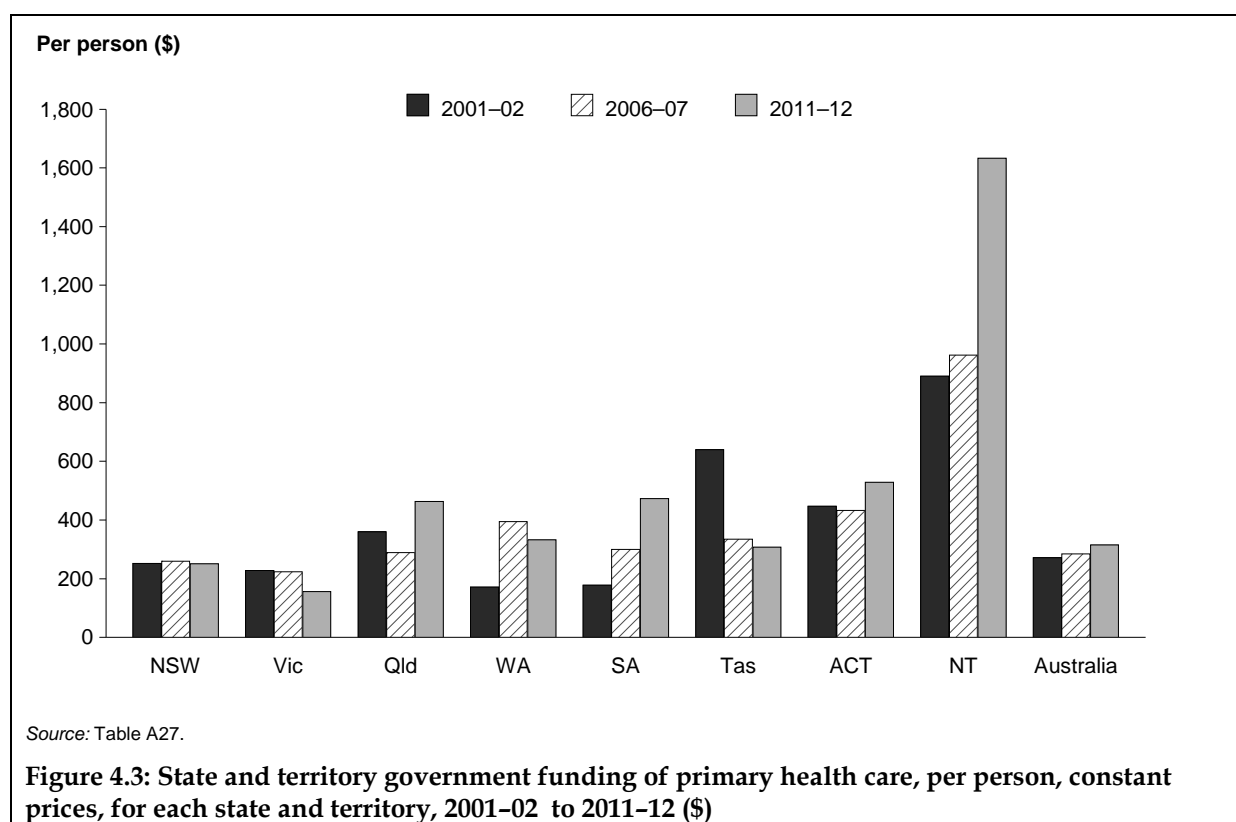
In 2011–12, per person funding from the Australian Government was the lowest in Western Australia, at \$863 per person and the highest in the Northern Territory at \$1,711 per person. In 2001–02, funding was the highest in Tasmania at \$743 per person and the lowest in the Australian Capital Territory, \$618 per person (Table A26 and Figure 4.2).

Growth in Australian Government funding for primary health care was 4.2% on average over the decade 2001–02 to 2011–12 (Table A26).



4.2 State and territory government funding

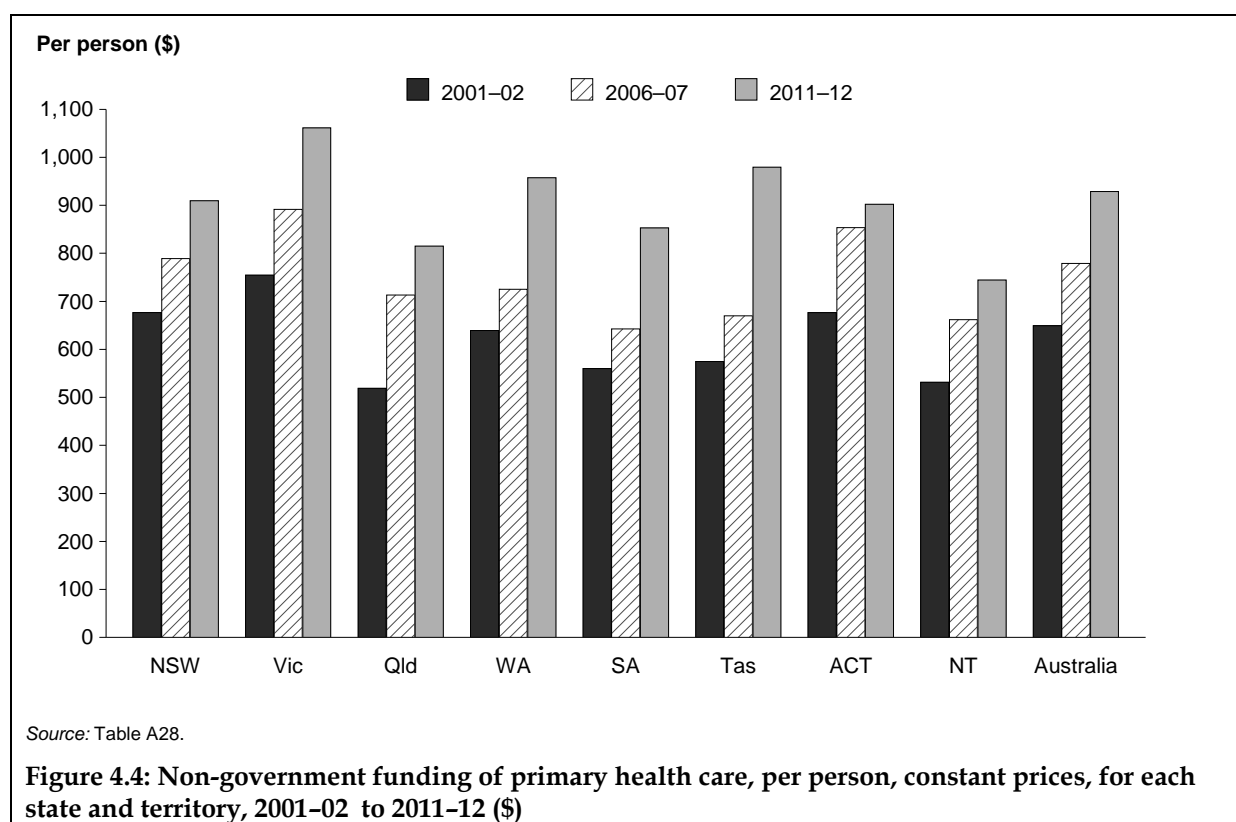
In 2011–12, on average across Australia, state and territory government funding for primary health care equated to \$315 per person. The average annual real growth in funding of primary health care services from state and territory governments increased 1.5% over the decade. The Northern Territory government funded \$1,633 per person for primary health care services. These services were mostly for community and public health services. The Victorian government provided \$869 million in funding for primary health care services in 2011–12, which equated to \$156 per person (Table A27 and Figure 4.3).



4.3 Non-government funding

In 2011-12, non-government funding for primary health care (mostly coming from individuals' out-of-pocket payments) was \$929 per person, which is an increase from \$649 per person in 2001-02 (Table A28 and Figure 4.4).

In 2011-12, non-government funding per person in Victoria was \$1,061, the highest of all of the jurisdictions. The lowest level of non-government funding was in the Northern Territory and Queensland at \$744 and \$815, respectively. For each year across the decade 2001-02 to 2011-12, Victoria had the highest non-government funding for primary health care. The average annual growth for all jurisdictions over the decade was 3.7% (Table A28 and Figure 4.4).



4.4 Primary health care by area of expenditure and source of funds

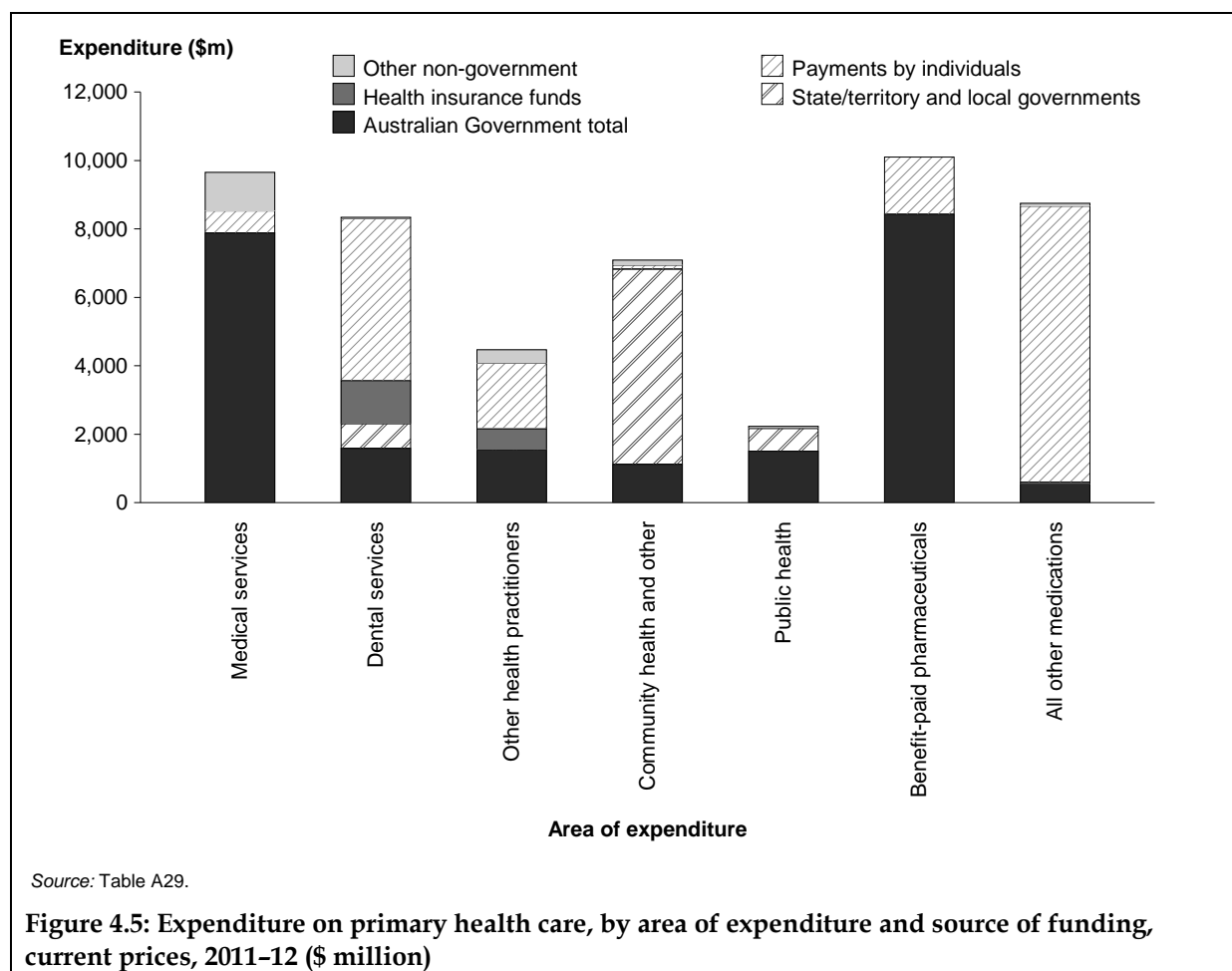
Of the \$50.6 billion spent on primary health care in 2011-12, \$10.1 billion was the cost of benefit-paid pharmaceuticals, for which the Australian Government provided the majority of the funding (\$8.4 billion). Individuals contributed \$1.7 billion out of pocket towards the cost of benefit-paid pharmaceuticals. The cost of 'all other medications' (see Glossary), which includes over-the-counter pharmaceuticals, private prescriptions as well as under co-payments pharmaceuticals was \$8.7 billion in 2011-12. Almost all of this \$8.1 billion, was paid for by individuals through out-of-pocket expenses (Table A29 and Figure 4.5).

The cost of medical services provided in the primary health care setting was \$9.7 billion in 2011-12 for which the majority of the funding came from the Australian Government (\$7.9 billion).

The cost for dental services and 'other health practitioner services' in 2011-12 was \$8.3 billion and \$4.5 billion, respectively. Individuals' out-of-pocket payments accounted for 56.8% (\$4.7 billion) and 43.1% (\$1.9 billion) of the funding for dental services and 'other health practitioner services', respectively.

Community health services cost \$7.1 billion in 2011-12, which was mostly funded through state and territory governments (\$5.7 billion).

The cost of providing public health services was \$2.2 billion, which was mostly funded by the Australian Government (\$1.5 billion) and the state and territory governments (\$0.7 billion).

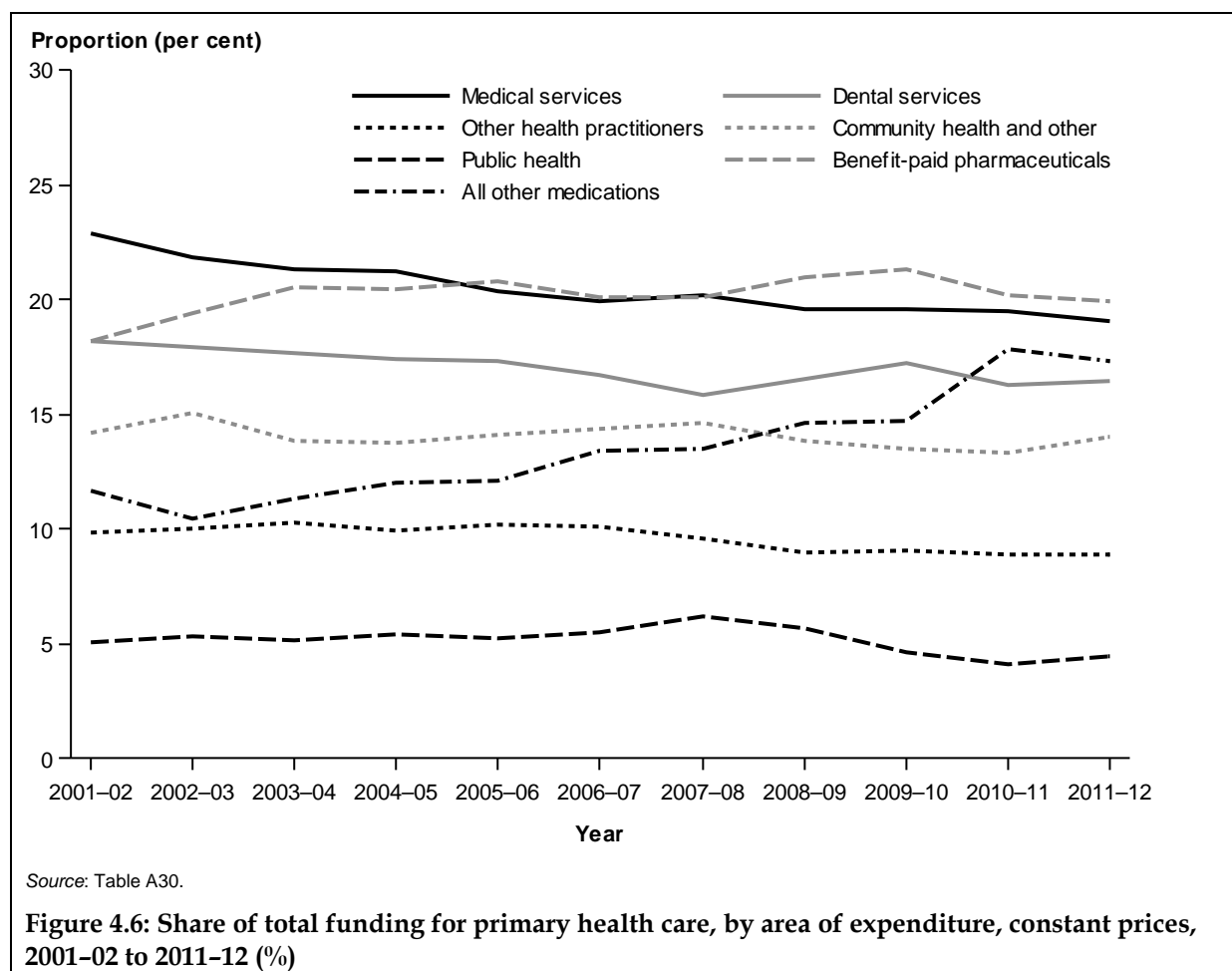


In 2001-02, medical services attracted the highest share of primary health care funding at 22.9%. This share declined over the decade to 19.1% in 2011-12 (Figure 4.6 and Table A30).

The share of funding for 'all other medications' in 2001-02 was 11.6%. Over the decade, the share increased to 17.3% in 2011-12 (Figure 4.6 and Table A30). 'All other medications' includes pharmaceuticals for which no Pharmaceutical Benefits Scheme (PBS) or Repatriation Pharmaceutical Benefits Scheme (RPBS) benefit was paid such as private prescriptions, under copayment prescriptions and over-the-counter medicines.

Public health and other health practitioner services attracted the smallest share of primary health care funding, at around 5% and 10%, respectively, across the decade (Figure 4.6 and Table A30).

The share of primary health care funding for dental services was 18.1% in 2001-02. This share gradually declined to 15.9% in 2007-08 before rising to 17.2% in 2009-10. In 2011-12, the share was 16.5% (Figure 4.6 and Table A30).



5 Other areas of health expenditure

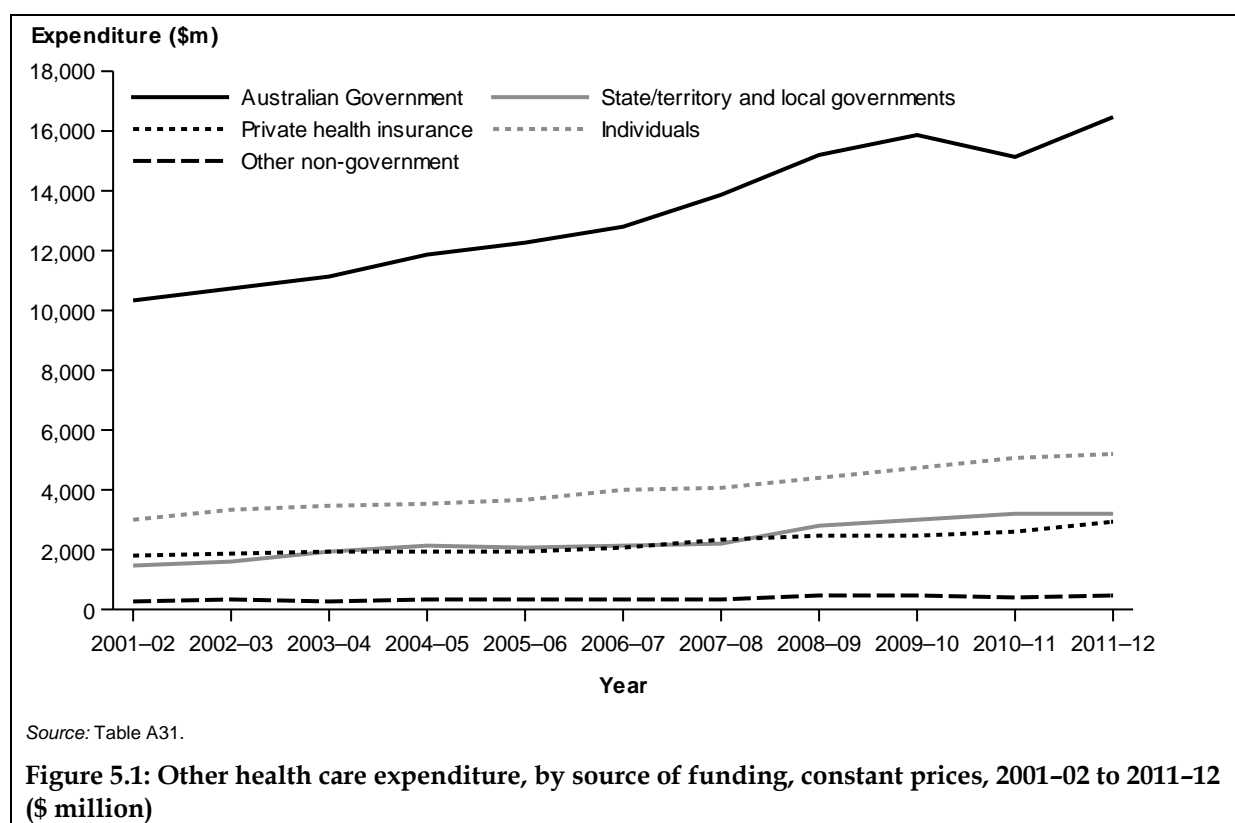
There are a number of areas of expenditure for which there is recurrent health spending that are not categorised as either hospitals or primary health care. In this report, these areas of expenditure are grouped under 'other'. The areas of expenditure that fall into this category are:

- patient transport services
- referred medical services (those non-hospital medical services that have not been classified as primary health care)
- aids and appliances
- administration
- research.

5.1 Funding for other health care

The Australian Government is the largest funding source of recurrent expenditure in 'other' areas of health care, mainly due to funding through the Medicare program. In 2011–12, the Australian Government spent \$16.5 billion, or nearly 60% of the total recurrent expenditure, in 'other' areas of health care. Individuals provided the next largest source of funds, with expenditure of \$5.2 billion in 2011–12 (Table A31 and Figure 5.1).

Average annual growth in all sources of funding have been steadily increasing at around 5.0%, with the exception of the state and territory government funding growth rate, which was 8.2% from 2001–02 to 2011–12 (Table A31).

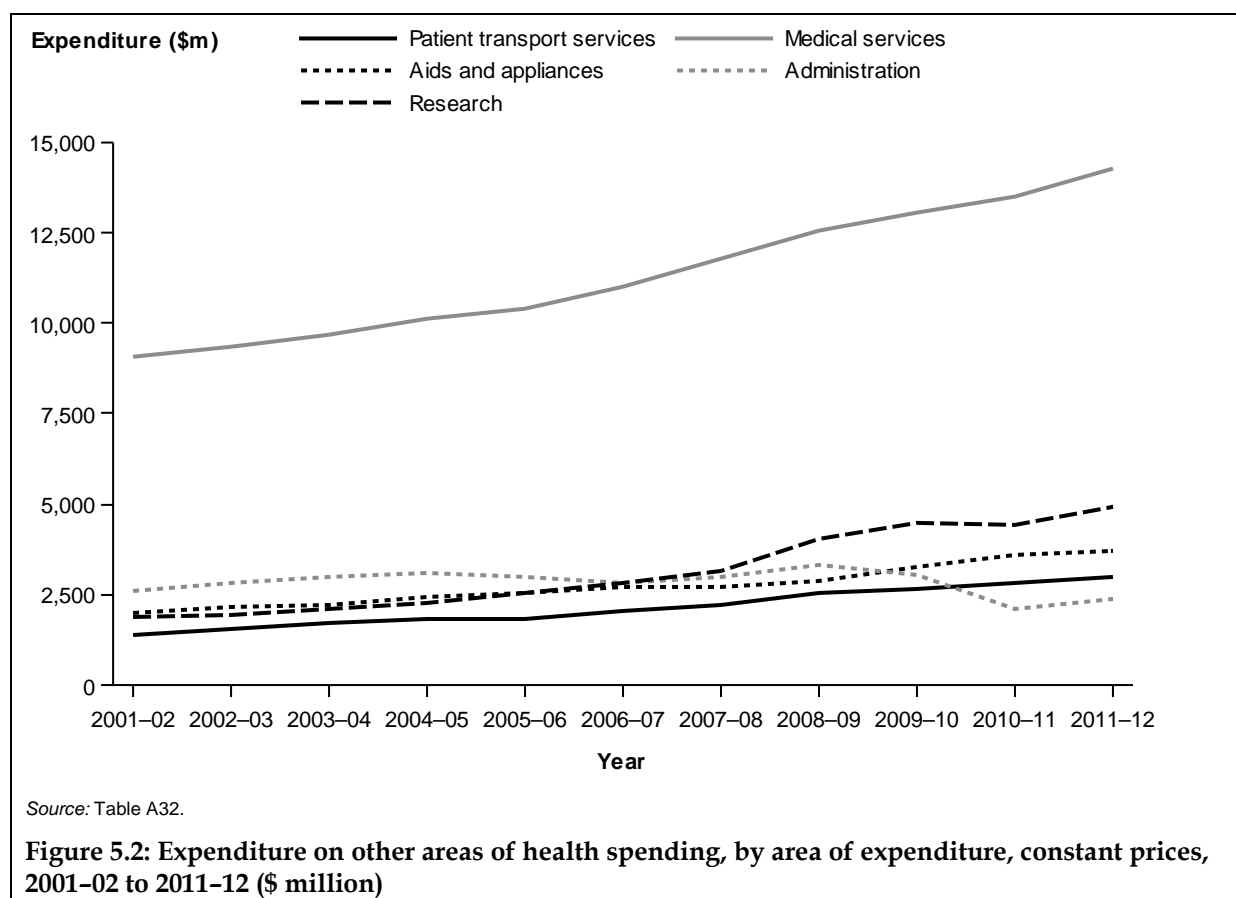


5.2 Components of other health care

Over 50% of 'other' health care expenditure is through referred medical services, with an expenditure of \$14.2 billion in 2011–12. Research, with an expenditure of \$5.0 billion in 2011–12, was the second highest area of expenditure. Expenditure on research as a proportion of total spending on other health care expenditure increased from 11.0% in 2001–02 to 17.5% in 2011–12. (Table A32 and Figure 5.2).

Since 2008–09, expenditure on administration has been decreasing from \$3.3 billion in 2008–09 to \$2.4 billion in 2011–12.

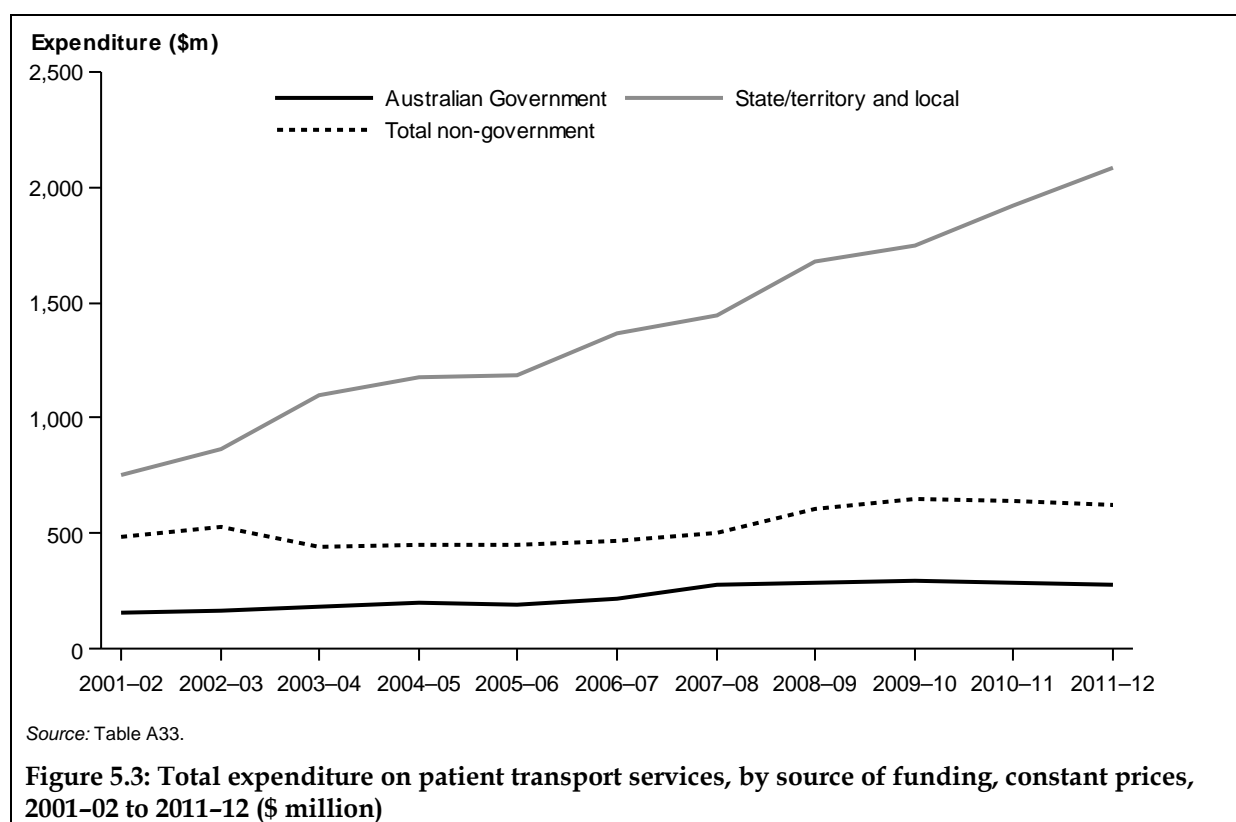
The proportions for expenditure on the 'patient transport' and 'aids and appliances' have increased from 2001–02 to 2011–12 (from 8.3% to 10.6% and from 11.9% to 13.0%, respectively) (Table A32).



Patient transport services

Of the total health expenditure on patient transport services of \$3.0 billion in 2011–12, state and territory governments funded \$2.1 billion (Table A33 and Figure 5.3).

The average annual growth for patient transport expenditure from 2001–02 to 2011–12 has been steady at 7.9%. The state and territory government average annual growth was 10.7% in the same period, which was higher than any other source of patient transport funding (Table A33).



Referred medical services

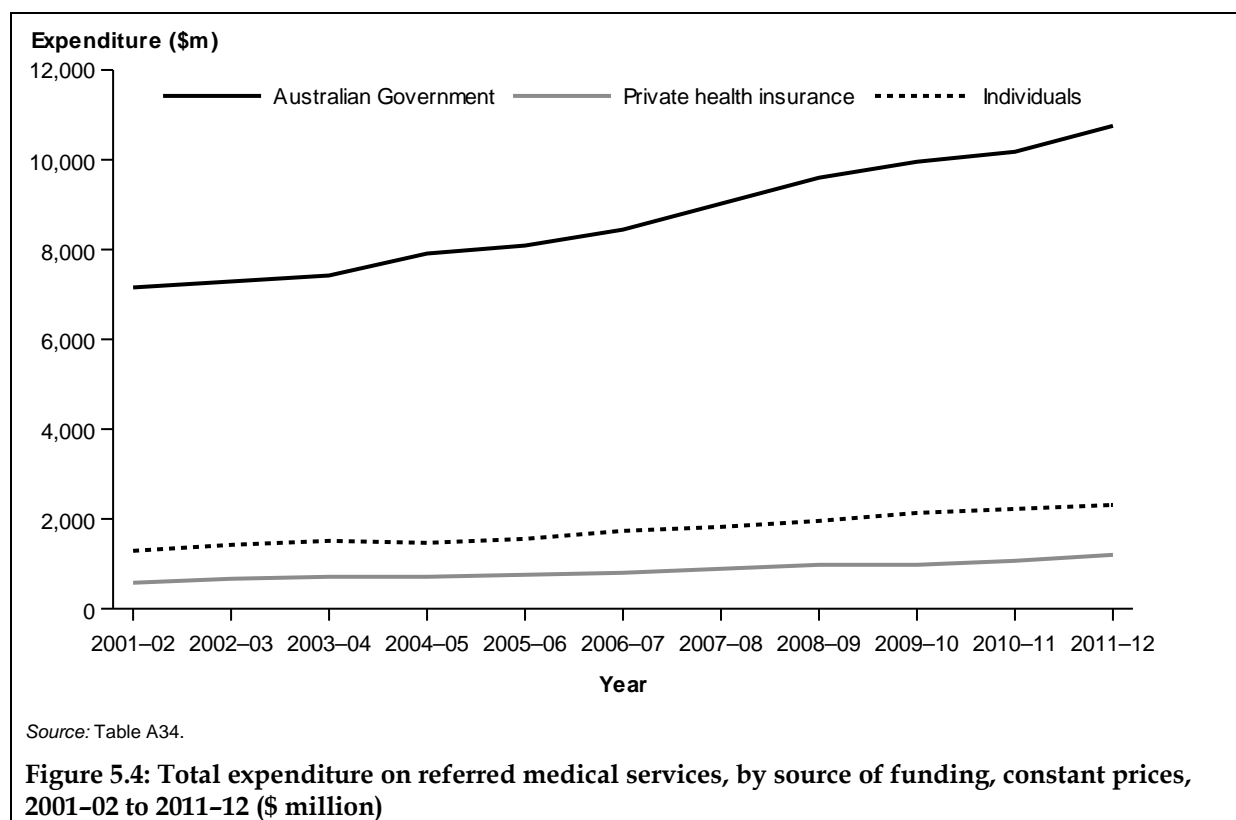
In 2011-12, \$14.2 billion was spent on medical services that are not provided through the primary health care setting such as those provided by medical specialists (Table A34 and Figure 5.4).

The majority of the \$14.2 billion was provided the Australian Government (\$10.7 billion), with the remainder of the cost funded by individuals through out-of-pocket payments (\$2.3 billion) and through private health insurance (\$1.2 billion) (Table A34 and Figure 5.4).

The growth in funding from all sources was 5.7% in 2011-12, which was higher than the growth in the 2 previous years 2010-11 (3.1%) and 2009-10 (4.0%).

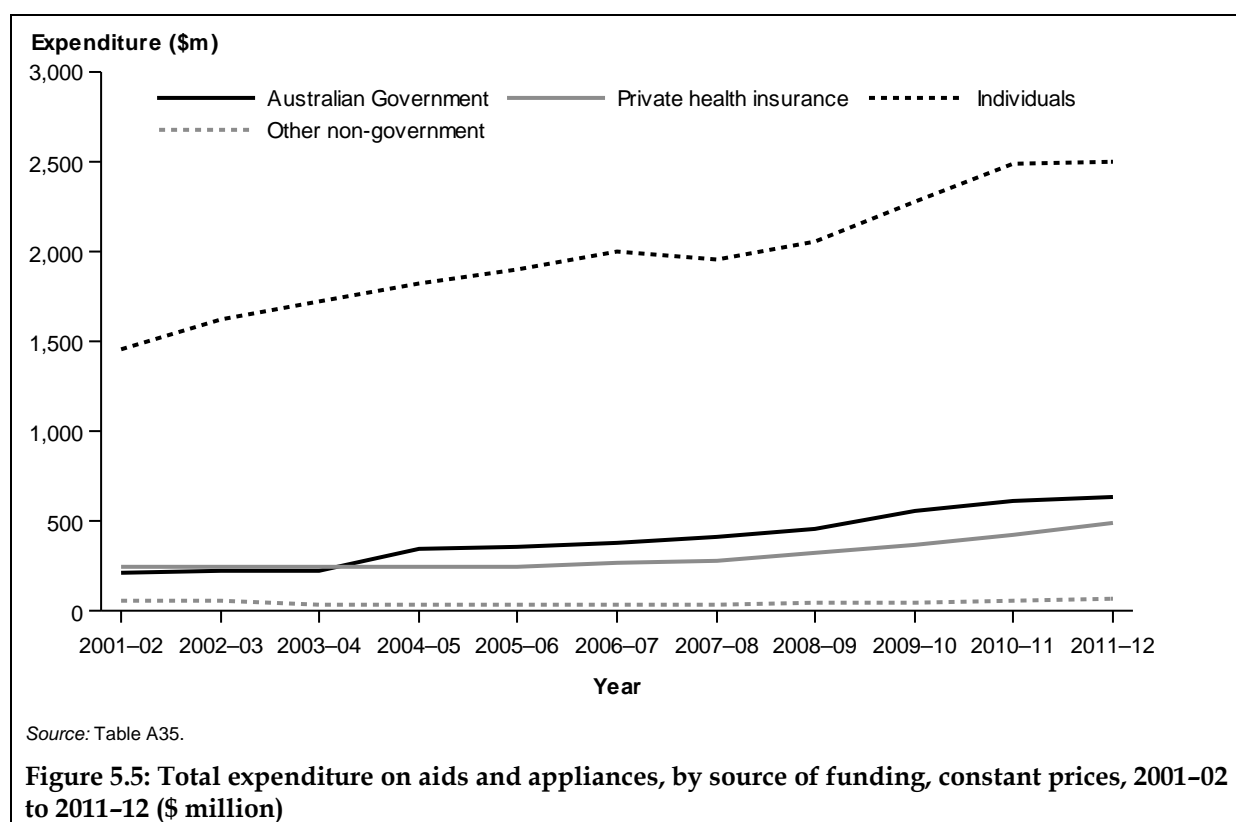
The highest growth in expenditure for referred medical services was in 2007-08 (7.1%), which was almost entirely due to the large increase in funding by the Australian Government in that year.

Between 2004-05 and 2008-09, the Australian Government had 3 years with growth over 6% for referred medical services, which coincides with the introduction of the Medicare Safety Net in 2004. After a review of the Medicare Safety Net in 2009, limits on access were introduced (van Gool et al. 2011). This coincides with the lower growth rates in 2009-10 and 2010-11 of 3.6% and 2.2%, respectively (Table A34).



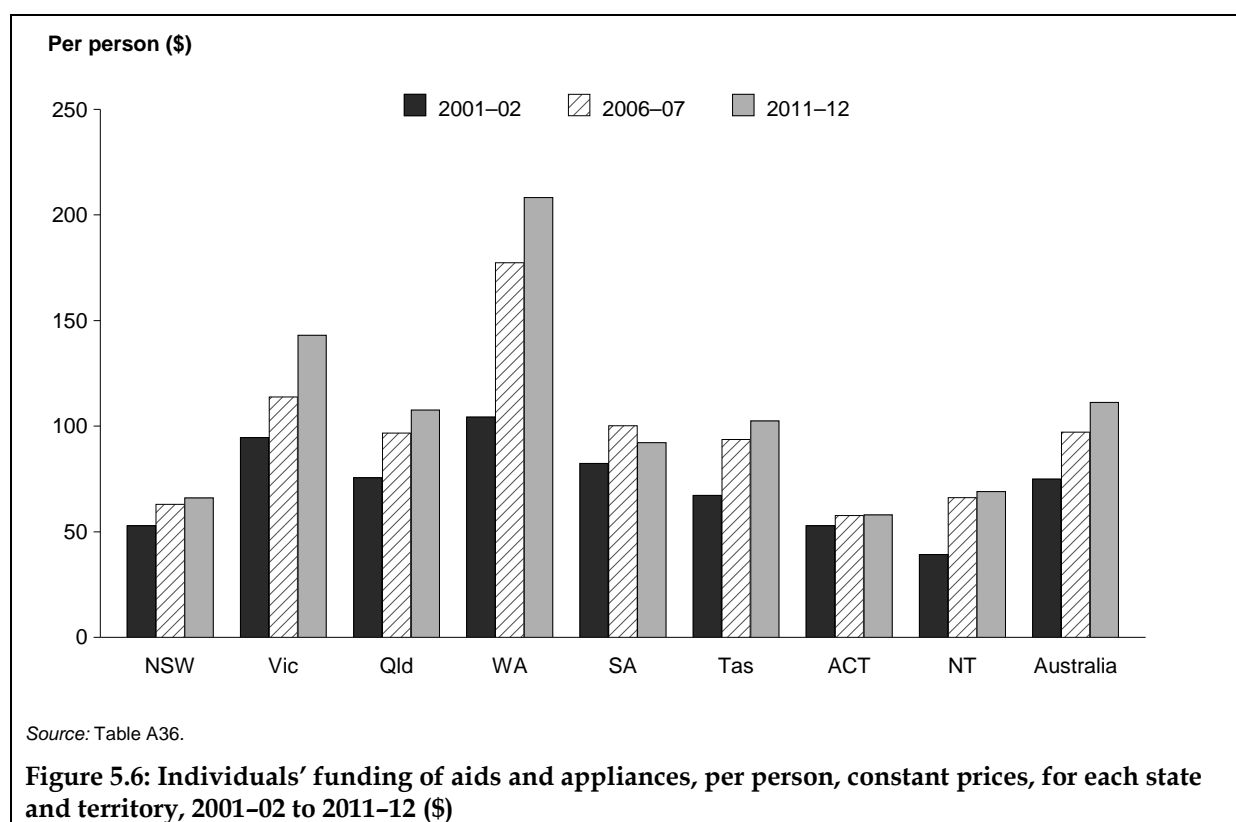
Aids and appliances

Individuals, through out-of-pocket payments, provide most of the funding for aids and appliances, at nearly 68% of the total expenditure of \$3.7 billion in 2011-12. The Australian Government provided \$0.6 billion of the total funding for aids and appliances in 2011-12. The Australian Government average annual growth rate from 2001-02 to 2011-12 was 11.6% compared with 5.6% over the same period for out-of-pocket payments by individuals (Table A35 and Figure 5.5).



From 2001-02 to 2011-12, individuals' funding for aids and appliances had the highest increase in Western Australia, with an average annual real growth rate of 7.2% over that period. The Australian Capital Territory, South Australia and New South Wales remained relatively steady, with a small average growth over that period (Table A36).

In 2011-12, Western Australia had the highest per person funding from individuals for aids and appliances, which was nearly double the national average at \$208 per person. The Australian Capital Territory had the lowest at \$58 per person (Table A36 and Figure 5.6).

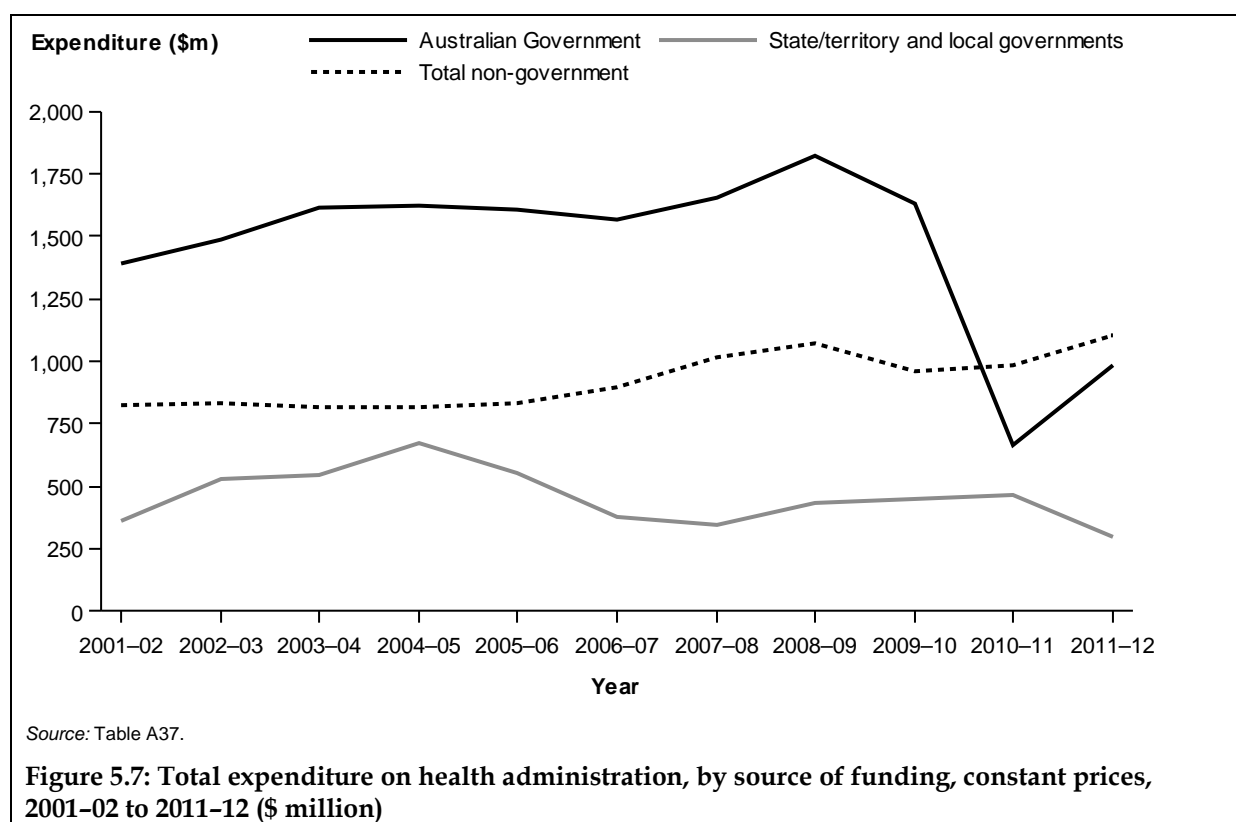


Administration

Where possible, administrative costs related to the delivery of particular health goods and services are added to the direct expenditure on those goods and services: that is, administrative costs for delivering a dental service are reported as part of dental services rather than administration. Hence, administration only includes those costs that cannot be allocated to a specific health good and service. In recent years, as more detailed data have become available, a larger share of government health administration costs have been able to be allocated to a specific health good or service, which has reduced the amount of expenditure reported as health administration.

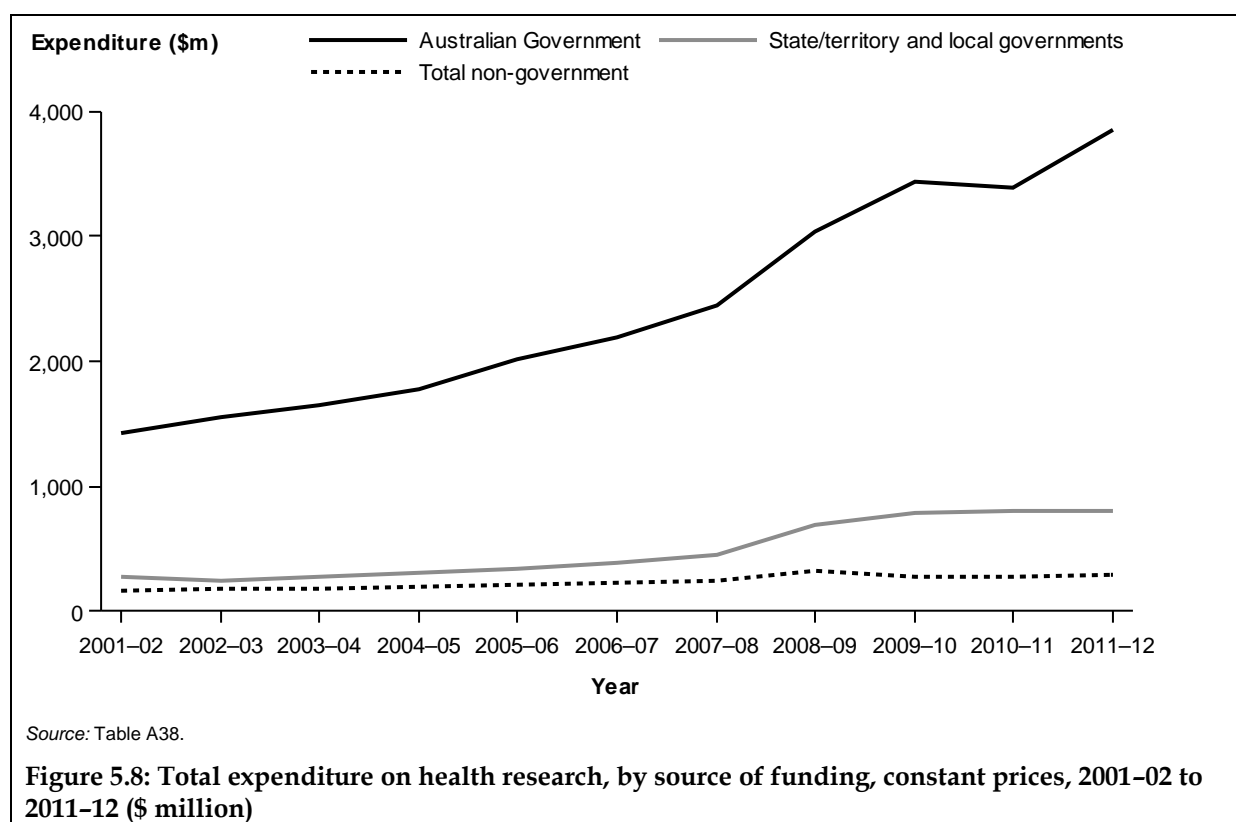
Australian Government expenditure in health administration decreased from \$1.8 billion in 2008-09 to a low of \$0.7 billion in 2010-11. In 2011-12, it increased to \$1.0 billion (Table A37 and Figure 5.7).

State and territory government expenditure in health administration has had a trend of decreasing expenditure since 2004-05. In 2011-12, the state and territory government health administration expenditure was \$0.3 billion, which was the lowest in the 10-year period (Table A37 and Figure 5.7).



Research

Research expenditure grew faster in the second half of the decade. The 5-year average annual growth rate for health research expenditure from 2006-07 to 2011-12 of 12.0% was higher than the 5-year growth rate from 2001-02 to 2006-07 of 8.5%. The growth was driven by expenditure in research from both the Australian Government and the state and territory governments. State and territory government health research expenditure growth has slowed since 2009-10, with expenditure increasing from \$783 million in 2009-10 to \$798 million in 2011-12 (Table A38 and Figure 5.8).



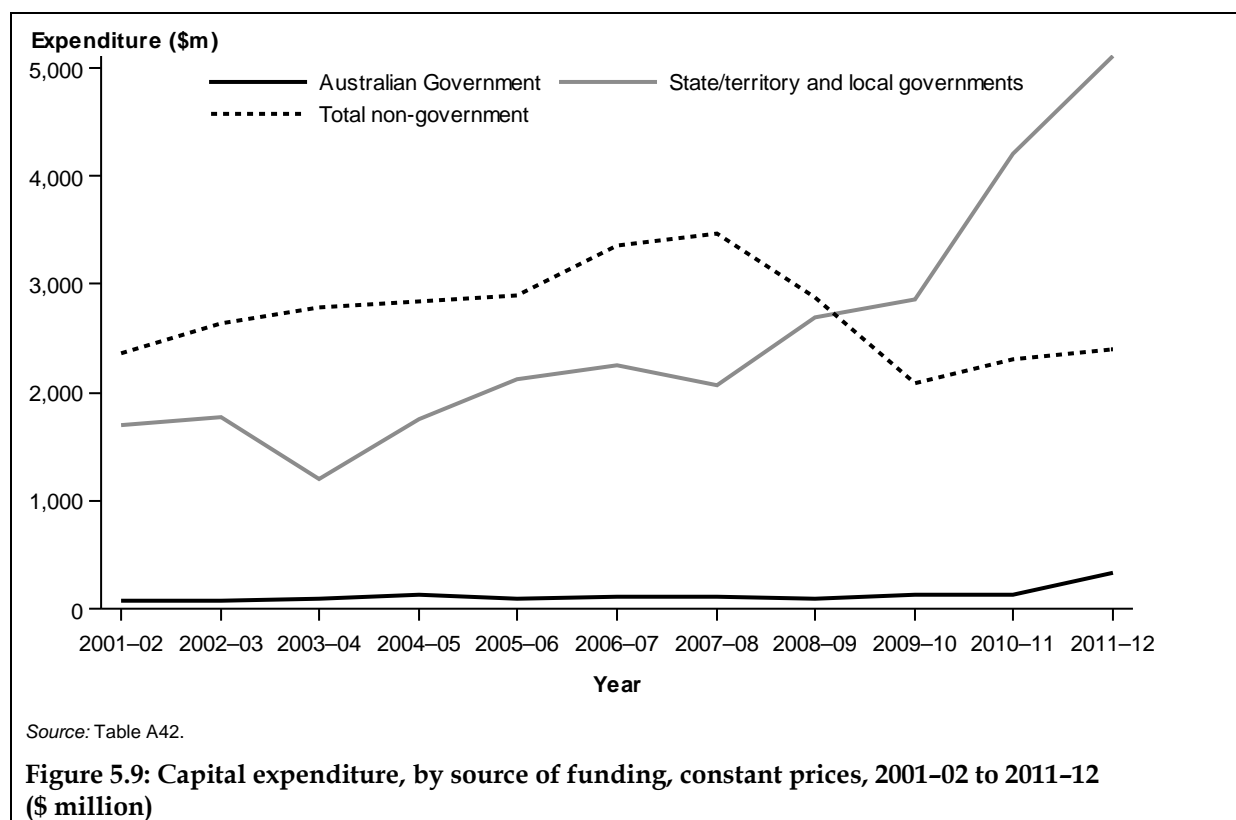
5.3 Capital expenditure

Capital expenditure on health facilities and investments in 2011-12 was \$7.9 billion, or 5.6% of total health expenditure (Tables A1 and A42).

The Australian Government's capital funding was mostly by way of grants and subsidies to other levels of government or to non-government organisations. In 2001-02, the Australian Government contributed \$84 million. This has increased to \$336 million in 2011-12 (Table A42 and Figure 5.9).

In 2011-12, the state and territory governments contributed \$5.1 billion, which was up from \$1.7 billion in 2001-02.

Capital expenditure by the non-government sector increased steadily from \$2.4 billion in 2001-02 to \$3.5 billion in 2007-08. It then dropped back to \$2.4 billion in 2011-12.



Appendix A Source tables

Table A1: Total expenditure on health, by broad area of expenditure and share of recurrent health expenditure, constant prices^(a), 2001–02 to 2011–12

Year	Hospitals ^(b)		Primary health care ^(c)		Other ^(d)		Total recurrent		Capital expenditure	Total expenditure
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Amount (\$m)
2001–02	31,011	39.4	30,821	39.1	16,903	21.5	78,735	100.0	4,151	82,886
2002–03	33,231	39.9	32,084	38.6	17,889	21.5	83,203	100.0	4,501	87,705
2003–04	34,674	40.1	33,157	38.3	18,694	21.6	86,526	100.0	4,085	90,611
2004–05	36,769	40.1	35,245	38.4	19,778	21.5	91,792	100.0	4,711	96,503
2005–06	38,115	40.6	35,509	37.8	20,330	21.6	93,954	100.0	5,125	99,079
2006–07	40,162	40.5	37,727	38.0	21,363	21.5	99,251	100.0	5,723	104,974
2007–08	42,759	40.2	40,835	38.4	22,843	21.5	106,437	100.0	5,663	112,099
2008–09	45,933	40.3	42,766	37.5	25,404	22.3	114,102	100.0	5,656	119,758
2009–10	48,036	40.1	45,129	37.7	26,536	22.2	119,701	100.0	5,081	124,782
2010–11	50,931	40.4	48,537	38.5	26,468	21.0	125,937	100.0	6,641	132,578
2011–12	53,509	40.4	50,621	38.2	28,256	21.3	132,386	100.0	7,855	140,241

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

(b) Includes public hospital services and private hospitals.

(c) Includes medications, non-referred medical services, dental services, other health practitioner services, community health and public health.

(d) Includes research, aids and appliances, patient transport services, referred medical services and administration.

Source: AIHW health expenditure database.

Table A2: Australian Government funding of health, by broad area of expenditure and share of Australian Government recurrent health expenditure, constant prices^(a), 2001–02 to 2011–12 (\$ million)

Year	Hospitals ^(b)		Primary health care ^(c)		Other ^(d)		Total recurrent		Capital expenditure	Total expenditure
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Amount (\$m)
2001–02	13,292	36.3	12,968	35.4	10,341	28.3	36,600	100.0	84	36,684
2002–03	14,067	36.8	13,461	35.2	10,704	28.0	38,232	100.0	77	38,309
2003–04	14,231	36.2	13,951	35.5	11,104	28.3	39,286	100.0	96	39,381
2004–05	14,893	35.6	15,055	36.0	11,868	28.4	41,817	100.0	128	41,944
2005–06	14,829	35.4	14,832	35.4	12,283	29.3	41,944	100.0	103	42,046
2006–07	15,150	34.7	15,787	36.1	12,785	29.2	43,722	100.0	112	43,834
2007–08	16,504	34.2	17,921	37.1	13,839	28.7	48,263	100.0	111	48,374
2008–09	18,264	34.8	18,957	36.1	15,222	29.0	52,442	100.0	96	52,539
2009–10	17,844	33.1	20,261	37.5	15,880	29.4	53,985	100.0	135	54,120
2010–11	19,370	34.6	21,526	38.4	15,132	27.0	56,028	100.0	135	56,163
2011–12	19,536	33.3	22,622	38.6	16,488	28.1	58,647	100.0	336	58,983

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

(b) Includes public hospital services and private hospitals.

(c) Includes medications, non-referred medical services, dental services, other health practitioner services, community health and public health.

(d) Includes research, aids and appliances, patient transport services, referred medical services and administration.

Source: AIHW health expenditure database.

Table A3: Ratio of Australian Government funding of health expenditure to tax revenue, current prices, 2001–02 to 2011–12 (%)

Year	Australian Government funding of health expenditure (\$ million)	Australian Government tax revenue^(a) (\$ million)	Ratio (%)
2001–02	27,549	123,738	22.3
2002–03	29,780	139,000	21.4
2003–04	31,782	150,620	21.1
2004–05	35,201	166,427	21.2
2005–06	36,743	178,192	20.6
2006–07	39,496	192,583	20.5
2007–08	44,391	209,038	21.2
2008–09	49,588	198,539	25.0
2009–10	52,437	183,055	28.6
2010–11	55,143	200,881	27.5
2011–12	58,983	225,173	26.2

(a) Taxation revenue is adjusted to take into account the level of government at which revenue is used rather than collected.

Sources: AIHW health expenditure database; ABS 2013a.

Table A4: State and territory government funding of health, by broad area of expenditure and share of state and territory government recurrent health expenditure, constant prices^(a), 2001–02 to 2011–12

Year	Hospitals ^(b)		Primary health care ^(c)		Other ^(d)		Total recurrent		Capital expenditure	Total expenditure
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Amount (\$m)
2001–02	11,407	63.0	5,264	29.1	1,445	8.0	18,116	100.0	1,697	19,812
2002–03	13,008	64.1	5,647	27.8	1,640	8.1	20,294	100.0	1,781	22,075
2003–04	14,110	67.1	5,003	23.8	1,922	9.1	21,035	100.0	1,203	22,238
2004–05	15,076	67.3	5,170	23.1	2,158	9.6	22,405	100.0	1,750	24,155
2005–06	16,344	68.5	5,427	22.8	2,074	8.7	23,846	100.0	2,120	25,966
2006–07	17,689	68.9	5,874	22.9	2,129	8.3	25,692	100.0	2,245	27,937
2007–08	18,604	68.5	6,342	23.3	2,226	8.2	27,172	100.0	2,075	29,247
2008–09	18,389	66.1	6,622	23.8	2,798	10.1	27,809	100.0	2,688	30,498
2009–10	20,658	68.4	6,548	21.7	2,981	9.9	30,188	100.0	2,853	33,041
2010–11	21,208	68.2	6,692	21.5	3,175	10.2	31,075	100.0	4,204	35,279
2011–12	22,905	69.0	7,092	21.4	3,182	9.6	33,179	100.0	5,111	38,290

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

(b) Includes public hospital services and private hospitals.

(c) Includes medications, non-referred medical services, dental services, other health practitioner services, community health and public health.

(d) Includes research, aids and appliances, patient transport services, referred medical services and administration.

Source: AIHW health expenditure database.

Table A5: Ratio of state and territory government funding of health expenditure to tax revenue, current prices, 2001–02 to 2011–12 (%)

Year	State and territory government funding of health expenditure (\$ million)	State and territory government tax revenue^(a) (\$ million)	Ratio (%)
2001–02	14,661	89,669	16.4
2002–03	16,780	94,824	17.7
2003–04	17,349	101,963	17.0
2004–05	19,426	107,304	18.1
2005–06	21,907	114,155	19.2
2006–07	24,485	121,921	20.1
2007–08	26,379	132,512	19.9
2008–09	28,493	134,199	21.2
2009–10	31,870	141,338	22.5
2010–11	34,490	149,995	23.0
2011–12	38,290	156,494	24.5

(a) Taxation revenue is adjusted to take into account the level of government at which revenue is used rather than collected.

Sources: AIHW health expenditure database; ABS 2013a.

Table A6: Non-government^(a) funding of health, by broad area of expenditure and share of non-government recurrent health expenditure, constant prices^(b), 2001–02 to 2011–12

Year	Hospitals ^(c)		Primary health care ^(d)		Other ^(e)		Total recurrent		Capital expenditure	Total expenditure
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Amount (\$m)
2001–02	6,312	26.3	12,590	52.4	5,117	21.3	24,019	100.0	2,370	26,389
2002–03	6,156	24.9	12,975	52.6	5,546	22.5	24,677	100.0	2,644	27,321
2003–04	6,334	24.2	14,203	54.2	5,668	21.6	26,205	100.0	2,786	28,991
2004–05	6,800	24.7	15,019	54.5	5,752	20.9	27,571	100.0	2,834	30,404
2005–06	6,942	24.6	15,250	54.1	5,973	21.2	28,165	100.0	2,902	31,067
2006–07	7,323	24.5	16,066	53.8	6,449	21.6	29,837	100.0	3,366	33,203
2007–08	7,651	24.7	16,572	53.5	6,778	21.9	31,001	100.0	3,477	34,478
2008–09	9,280	27.4	17,187	50.8	7,384	21.8	33,851	100.0	2,871	36,722
2009–10	9,534	26.8	18,320	51.6	7,675	21.6	35,529	100.0	2,093	37,622
2010–11	10,353	26.7	20,319	52.3	8,162	21.0	38,834	100.0	2,302	41,136
2011–12	11,068	27.3	20,906	51.5	8,585	21.2	40,560	100.0	2,408	42,968

(a) Non-government funding includes funding from private health insurers, out-of-pocket expenses paid by individuals and payments by injury compensation insurers.

(b) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

(c) Includes public hospital services and private hospitals.

(d) Includes medications, non-referred medical services, dental services, other health practitioner services, community health and public health.

(e) Includes research, aids and appliances, patient transport services, referred medical services and administration.

Source: AIHW health expenditure database.

Table A7: Australian Government funding of total health expenditure, per person, constant prices^(a), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	1,927	1,845	1,878	1,826	2,004	1,875	2,088	1,697	1,892
2002–03	1,988	1,919	1,923	1,900	2,072	1,933	2,089	1,741	1,954
2003–04	1,998	1,951	1,974	1,939	2,092	1,992	2,271	1,902	1,986
2004–05	2,117	2,045	2,091	2,033	2,204	2,050	2,302	1,994	2,092
2005–06	2,088	2,025	2,074	1,972	2,204	2,052	2,264	2,205	2,070
2006–07	2,145	2,099	2,112	2,004	2,247	2,078	2,405	2,321	2,125
2007–08	2,342	2,280	2,245	2,145	2,417	2,416	2,580	2,691	2,302
2008–09	2,511	2,453	2,358	2,202	2,595	2,553	2,639	2,822	2,446
2009–10	2,566	2,450	2,378	2,212	2,641	2,701	2,559	2,923	2,475
2010–11	2,589	2,540	2,485	2,262	2,677	2,651	2,667	2,799	2,533
2011–12	2,678	2,634	2,585	2,270	2,764	2,621	2,871	3,379	2,620
Average annual growth rate (%)									
2001–02 to 2006–07	2.2	2.6	2.4	1.9	2.3	2.1	2.9	6.5	2.3
2006–07 to 2011–12	4.5	4.6	4.1	2.5	4.2	4.8	3.6	7.8	4.3
2001–02 to 2011–12	3.3	3.6	3.2	2.2	3.3	3.4	3.2	7.1	3.3

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A8: State and territory government funding of total health expenditure, per person, constant prices^(a), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	967	975	1,145	891	931	1,417	1,417	2,087	1,022
2002–03	1,022	1,189	1,113	1,147	1,142	971	1,667	2,441	1,126
2003–04	1,141	984	1,078	1,206	1,233	937	1,586	2,684	1,122
2004–05	1,250	1,024	1,071	1,361	1,449	1,033	1,801	2,770	1,205
2005–06	1,289	1,130	1,246	1,339	1,423	1,162	1,911	2,742	1,278
2006–07	1,301	1,170	1,442	1,481	1,486	1,290	1,930	2,856	1,354
2007–08	1,291	1,135	1,575	1,558	1,642	1,354	1,960	2,965	1,392
2008–09	1,268	1,136	1,670	1,594	1,750	1,299	2,182	3,176	1,420
2009–10	1,313	1,224	1,866	1,615	1,883	1,328	2,422	3,012	1,511
2010–11	1,347	1,295	1,869	1,872	1,920	1,747	2,627	3,812	1,591
2011–12	1,400	1,300	2,042	2,219	2,052	1,650	2,888	4,496	1,701
Average annual growth rate (%)									
2001–02 to 2006–07	6.1	3.7	4.7	10.7	9.8	–1.9	6.4	6.5	5.8
2006–07 to 2011–12	1.5	2.1	7.2	8.4	6.7	5.0	8.4	9.5	4.7
2001–02 to 2011–12	3.8	2.9	6.0	9.6	8.2	1.5	7.4	8.0	5.2

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A9: Non-government^(a) funding of total health expenditure, per person, constant prices^(b), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	1,305	1,550	1,298	1,397	1,209	1,244	1,338	968	1,361
2002–03	1,354	1,606	1,291	1,389	1,207	1,340	1,450	987	1,394
2003–04	1,434	1,581	1,435	1,492	1,318	1,299	1,603	975	1,462
2004–05	1,475	1,670	1,420	1,608	1,400	1,375	1,698	1,055	1,517
2005–06	1,457	1,687	1,424	1,709	1,350	1,567	1,712	1,294	1,530
2006–07	1,571	1,743	1,572	1,729	1,407	1,420	1,611	1,150	1,610
2007–08	1,626	1,665	1,635	1,771	1,649	1,386	1,471	1,139	1,641
2008–09	1,694	1,774	1,685	1,828	1,674	1,493	1,438	1,167	1,710
2009–10	1,729	1,897	1,650	1,755	1,490	1,383	1,435	1,117	1,721
2010–11	1,833	2,067	1,749	1,922	1,649	1,638	1,633	1,207	1,855
2011–12	1,889	2,165	1,796	1,842	1,681	1,929	1,631	1,313	1,909
Average annual growth rate (%)									
2001–02 to 2006–07	3.8	2.4	3.9	4.4	3.1	2.7	3.8	3.5	3.4
2006–07 to 2011–12	3.8	4.4	2.7	1.3	3.6	6.3	0.2	2.7	3.5
2001–02 to 2011–12	3.8	3.4	3.3	2.8	3.4	4.5	2.0	3.1	3.4

(a) Non-government funding includes funding from private health insurers, out-of-pocket expenses paid by individuals and payments by injury compensation insurers.

(b) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A10: Total expenditure on hospitals, by source of funding and annual growth rates, constant prices^(a), 2001–02 to 2011–12

Year	Australian Government		State/territory and local		Total government		Private health insurance		Individuals		Other non-government		Total non-government		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2001–02	13,292	..	11,407	..	24,699	..	3,737	..	919	..	1,656	..	6,312	..	31,011	..
2002–03	14,067	5.8	13,008	14.0	27,075	9.6	3,937	5.3	605	–34.1	1,614	–2.5	6,156	–2.5	33,231	7.2
2003–04	14,231	1.2	14,110	8.5	28,341	4.7	4,163	5.7	557	–7.9	1,614	—	6,334	2.9	34,674	4.3
2004–05	14,893	4.7	15,076	6.8	29,970	5.7	4,297	3.2	682	22.5	1,820	12.8	6,800	7.4	36,769	6.0
2005–06	14,829	–0.4	16,344	8.4	31,173	4.0	4,316	0.5	757	10.9	1,868	2.7	6,942	2.1	38,115	3.7
2006–07	15,150	2.2	17,689	8.2	32,839	5.3	4,557	5.6	717	–5.3	2,049	9.7	7,323	5.5	40,162	5.4
2007–08	16,504	8.9	18,604	5.2	35,108	6.9	4,772	4.7	903	26.0	1,976	–3.6	7,651	4.5	42,759	6.5
2008–09	18,264	10.7	18,389	–1.2	36,653	4.4	5,276	10.6	2,041	126.0	1,963	–0.6	9,280	21.3	45,933	7.4
2009–10	17,844	–2.3	20,658	12.3	38,502	5.0	5,343	1.3	2,243	9.9	1,948	–0.8	9,534	2.7	48,036	4.6
2010–11	19,370	8.6	21,208	2.7	40,578	5.4	5,684	6.4	2,564	14.3	2,106	8.1	10,353	8.6	50,931	6.0
2011–12	19,536	0.9	22,905	8.0	42,441	4.6	6,287	10.6	2,450	–4.4	2,331	10.7	11,068	6.9	53,509	5.1
Average annual growth rate (%)																
2001–02 to 2006–07	2.7		9.2		5.9		4.0		–4.8		4.4		3.0		5.3	
2006–07 to 2011–12	5.2		5.3		5.3		6.6		27.9		2.6		8.6		5.9	
2001–02 to 2011–12	3.9		7.2		5.6		5.3		10.3		3.5		5.8		5.6	

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A11: Total expenditure on public hospitals, by source of funding and annual growth rates, constant prices^(a), 2001–02 to 2011–12

Year	Australian Government		State/territory and local		Total government		Private health insurance		Individuals		Other non-government		Total non-government		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2001–02	10,862	..	11,407	..	22,269	..	378	..	514	..	1,008	..	1,900	..	24,169	..
2002–03	11,513	6.0	12,621	10.6	24,134	8.4	406	7.3	409	–20.3	989	–1.9	1,804	–5.1	25,938	7.3
2003–04	11,567	0.5	13,832	9.6	25,399	5.2	441	8.6	227	–44.6	983	–0.6	1,651	–8.5	27,049	4.3
2004–05	12,104	4.6	14,791	6.9	26,895	5.9	491	11.5	357	57.5	1,136	15.6	1,985	20.3	28,880	6.8
2005–06	12,005	–0.8	16,047	8.5	28,051	4.3	506	2.9	418	16.9	1,159	2.0	2,083	4.9	30,134	4.3
2006–07	12,285	2.3	17,397	8.4	29,682	5.8	553	9.4	281	–32.6	1,436	23.8	2,270	9.0	31,952	6.0
2007–08	13,389	9.0	18,299	5.2	31,688	6.8	589	6.4	527	87.2	1,338	–6.8	2,453	8.1	34,141	6.9
2008–09	15,148	13.1	18,003	–1.6	33,151	4.6	664	12.8	1,050	99.4	1,158	–13.4	2,872	17.1	36,023	5.5
2009–10	14,404	–4.9	20,263	12.6	34,667	4.6	667	0.4	969	–7.7	1,301	12.3	2,937	2.3	37,604	4.4
2010–11	15,811	9.8	20,748	2.4	36,560	5.5	686	2.9	1,185	22.3	1,479	13.7	3,350	14.1	39,910	6.1
2011–12	16,072	1.6	22,411	8.0	38,483	5.3	805	17.3	1,117	–5.8	1,630	10.2	3,552	6.0	42,034	5.3
Average annual growth rate (%)																
2001–02 to 2006–07		2.5		8.8		5.9		7.9		–11.3		7.3		3.6		5.7
2006–07 to 2011–12		5.5		5.2		5.3		7.8		31.7		2.6		9.4		5.6
2001–02 to 2011–12		4.0		7.0		5.6		7.8		8.1		4.9		6.5		5.7

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A12: Total expenditure on private hospitals, by source of funding and annual growth rates, constant prices^(a), 2001–02 to 2011–12

Year	Australian Government		State/territory and local		Total government		Private health insurance		Individuals		Other non-government		Total non-government		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2001–02	2,430	2,430	..	3,359	..	405	..	648	..	4,412	..	6,842	..
2002–03	2,554	5.1	386	–88.8	2,941	21.0	3,531	5.1	196	–51.7	625	–3.5	4,352	–1.4	7,292	6.6
2003–04	2,664	4.3	278	–28.0	2,942	—	3,722	5.4	330	68.6	631	0.9	4,683	7.6	7,625	4.6
2004–05	2,790	4.7	285	2.5	3,075	4.5	3,806	2.2	325	–1.6	684	8.5	4,815	2.8	7,889	3.5
2005–06	2,824	1.2	298	4.4	3,122	1.5	3,811	0.1	339	4.4	709	3.7	4,859	0.9	7,981	1.2
2006–07	2,865	1.4	292	–1.8	3,157	1.1	4,004	5.1	435	28.3	613	–13.5	5,053	4.0	8,210	2.9
2007–08	3,115	8.7	305	4.4	3,420	8.3	4,184	4.5	376	–13.6	637	3.9	5,198	2.9	8,618	5.0
2008–09	3,116	—	386	26.6	3,502	2.4	4,612	10.2	990	163.3	805	26.3	6,407	23.3	9,909	15.0
2009–10	3,440	10.4	395	2.4	3,835	9.5	4,676	1.4	1,274	28.6	647	–19.6	6,597	3.0	10,432	5.3
2010–11	3,559	3.5	460	16.3	4,019	4.8	4,998	6.9	1,379	8.2	627	–3.1	7,003	6.2	11,021	5.6
2011–12	3,464	–2.7	494	7.5	3,958	–1.5	5,483	9.7	1,334	–3.3	701	11.8	7,517	7.3	11,475	4.1
Average annual growth rate (%)																
2001–02 to 2006–07		3.4		–39.0		5.4		3.6		1.4		–1.1		2.7		3.7
2006–07 to 2011–12		3.9		11.1		4.6		6.5		25.1		2.7		8.3		6.9
2001–02 to 2011–12		3.6		–17.7		5.0		5.0		12.6		0.8		5.5		5.3

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A13: Australian Government funding of hospitals, per person, constant prices^(a), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	685	663	714	685	751	644	547	566	686
2002–03	717	692	745	729	783	668	577	607	718
2003–04	713	690	750	735	767	699	582	673	718
2004–05	741	718	770	763	793	704	596	679	743
2005–06	729	701	758	726	796	696	585	802	730
2006–07	728	719	755	728	795	723	601	795	734
2007–08	780	766	795	774	840	900	698	831	785
2008–09	846	831	868	811	918	978	772	867	850
2009–10	819	782	831	789	874	991	725	888	816
2010–11	875	864	893	851	899	879	791	832	874
2011–12	871	871	879	807	902	861	848	920	868
Average annual growth rate (%)									
2001–02 to 2006–07	1.2	1.6	1.1	1.2	1.1	2.3	1.9	7.0	1.4
2006–07 to 2011–12	3.7	3.9	3.1	2.1	2.6	3.6	7.1	3.0	3.4
2001–02 to 2011–12	2.4	2.8	2.1	1.7	1.8	2.9	4.5	5.0	2.4

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A14: Australian Government funding of public hospitals, per person, constant prices^(a), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	VIC	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	580	542	542	557	632	496	449	526	560
2002–03	609	563	566	593	662	519	479	566	587
2003–04	601	560	563	593	651	544	484	633	583
2004–05	624	583	580	609	667	561	496	640	604
2005–06	614	563	569	577	668	557	487	760	591
2006–07	612	581	570	579	669	581	501	752	596
2007–08	657	617	599	614	703	750	588	786	637
2008–09	724	686	677	658	784	830	666	821	705
2009–10	684	625	625	626	731	832	612	839	659
2010–11	736	706	687	678	753	721	679	776	713
2011–12	734	721	683	647	769	714	691	868	714
Average annual growth rates (%)									
2001–02 to 2006–07	1.1	1.4	1.0	0.8	1.1	3.2	2.2	7.4	1.2
2006–07 to 2011–12	3.7	4.4	3.7	2.2	2.9	4.2	6.6	2.9	3.7
2001–02 to 2011–12	2.4	2.9	2.3	1.5	2.0	3.7	4.4	5.1	2.5

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A15: Australian Government funding of private hospitals, per person, constant prices^(a), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	VIC	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	105	122	173	129	118	148	97	39	125
2002–03	107	129	180	137	121	149	98	40	130
2003–04	112	130	187	142	117	154	98	40	134
2004–05	117	134	190	153	125	142	100	40	139
2005–06	115	137	189	149	128	139	98	42	139
2006–07	116	138	186	149	126	142	100	43	139
2007–08	123	149	197	160	137	151	110	46	148
2008–09	122	145	191	153	134	149	105	46	145
2009–10	135	157	206	163	143	159	113	49	157
2010–11	139	159	206	173	146	158	112	57	161
2011–12	137	150	196	160	133	147	158	52	154
Average annual growth rates (%)									
2001–02 to 2006–07	2.0	2.6	1.5	3.0	1.3	–0.9	0.6	1.6	2.1
2006–07 to 2011–12	3.3	1.7	1.1	1.5	1.0	0.7	9.4	3.9	2.1
2001–02 to 2011–12	2.7	2.1	1.3	2.2	1.2	–0.1	4.9	2.8	2.1

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A16: Australian Government funding for public and private hospitals, constant prices^(a), 2001–02 to 2011–12

Year	Public hospital services		Private hospitals		Total	
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)
2001–02	10,862	81.7	2,430	18.3	13,292	100.0
2002–03	11,513	81.8	2,554	18.2	14,067	100.0
2003–04	11,567	81.3	2,664	18.7	14,231	100.0
2004–05	12,104	81.3	2,790	18.7	14,893	100.0
2005–06	12,005	81.0	2,824	19.0	14,829	100.0
2006–07	12,285	81.1	2,865	18.9	15,150	100.0
2007–08	13,389	81.1	3,115	18.9	16,504	100.0
2008–09	15,148	82.9	3,116	17.1	18,264	100.0
2009–10	14,404	80.7	3,440	19.3	17,844	100.0
2010–11	15,811	81.6	3,559	18.4	19,370	100.0
2011–12	16,072	82.3	3,464	17.7	19,536	100.0

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A17: State and territory government funding of hospitals, per person, constant prices^(a), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	589	609	530	581	601	490	803	996	588
2002–03	655	712	585	716	596	529	856	1,240	663
2003–04	799	664	607	739	671	482	831	1,334	712
2004–05	897	673	574	777	761	534	853	1,374	752
2005–06	881	720	715	840	799	685	1,151	1,513	805
2006–07	894	710	865	925	906	789	1,260	1,614	858
2007–08	856	764	926	990	999	766	1,328	1,641	885
2008–09	825	724	902	984	973	711	1,424	1,445	856
2009–10	904	880	987	975	1,052	763	1,539	1,371	945
2010–11	889	943	885	1,036	1,092	1,024	1,613	1,799	956
2011–12	942	924	938	1,257	1,256	992	1,724	1,953	1,017
Average annual growth rate (%)									
2001–02 to 2006–07	8.7	3.1	10.3	9.7	8.6	10.0	9.4	10.1	7.9
2006–07 to 2011–12	1.1	5.4	1.6	6.3	6.8	4.7	6.5	3.9	3.5
2001–02 to 2011–12	4.8	4.3	5.9	8.0	7.6	7.3	7.9	7.0	5.6

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A18: State and territory government funding of public hospitals, per person, constant prices^(a), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	VIC	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	585	604	521	582	597	492	809	1,013	584
2002–03	650	705	575	716	592	530	861	1,254	658
2003–04	793	657	597	738	666	482	835	1,341	705
2004–05	889	665	564	775	754	534	857	1,374	744
2005–06	872	712	701	837	792	684	1,155	1,506	796
2006–07	886	702	849	921	899	788	1,264	1,603	849
2007–08	851	758	914	987	992	766	1,332	1,632	878
2008–09	823	720	892	981	968	712	1,428	1,439	852
2009–10	903	877	981	972	1,049	763	1,543	1,367	942
2010–11	890	943	883	1,036	1,091	1,025	1,615	1,797	956
2011–12	943	925	939	1,258	1,258	992	1,725	1,956	1,019
Average annual growth rates (%)									
2001–02 to 2006–07	8.7	3.1	10.2	9.6	8.5	9.9	9.4	9.6	7.8
2006–07 to 2011–12	1.3	5.7	2.0	6.4	7.0	4.7	6.4	4.1	3.7
2001–02 to 2011–12	4.9	4.4	6.1	8.0	7.7	7.3	7.9	6.8	5.7

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A19: State and territory government funding for public hospitals and public hospitals share of state and territory government funding for all hospitals, constant prices^(a), for each state and territory, 2001–02 to 2011–12

Year	NSW		Vic		Qld		WA		SA		Tas		ACT		NT		Australia	
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)
2001–02	3,862	100.0	2,918	100.0	1,914	100.0	1,115	100.0	906	100.0	232	100.0	259	100.0	201	100.0	11,407	100.0
2002–03	4,217	97.5	3,448	100.0	2,134	98.6	1,172	84.4	899	99.5	225	89.6	279	100.0	248	99.1	12,621	97.0
2003–04	5,304	100.0	3,256	100.0	2,271	98.7	1,233	84.9	1,018	99.5	208	89.8	272	100.0	269	100.0	13,832	98.0
2004–05	5,982	100.0	3,334	100.0	2,189	98.4	1,333	86.0	1,160	99.5	231	89.3	281	100.0	280	100.0	14,791	98.1
2005–06	5,919	100.0	3,619	100.0	2,800	98.8	1,459	85.6	1,230	99.6	322	96.3	384	99.9	314	100.0	16,047	98.2
2006–07	6,065	100.0	3,626	100.0	3,470	98.9	1,691	88.1	1,409	99.6	369	95.1	426	100.0	340	99.9	17,397	98.3
2007–08	5,892	100.0	3,974	100.0	3,829	99.3	1,856	87.8	1,572	99.7	364	95.8	457	100.0	355	99.8	18,299	98.4
2008–09	5,779	100.0	3,774	98.0	3,827	99.3	1,911	87.9	1,549	99.7	343	96.0	499	99.9	320	99.6	18,003	97.9
2009–10	6,419	100.0	4,693	98.4	4,286	99.4	1,932	87.5	1,697	99.7	373	96.6	551	100.0	311	99.7	20,263	98.1
2010–11	6,386	100.0	5,104	98.5	3,901	99.3	2,068	86.1	1,778	99.7	511	97.9	587	99.8	413	99.7	20,748	97.8
2011–12	6,838	100.0	5,074	98.4	4,209	99.4	2,629	87.5	2,065	99.8	508	100.0	635	99.3	453	99.8	22,411	97.8

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A20: Non-government^(a) funding of hospitals, per person, constant prices^(b), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	311	373	302	336	268	391	336	260	326
2002–03	314	340	288	307	292	362	344	230	314
2003–04	327	349	281	311	294	341	385	220	319
2004–05	352	376	297	328	300	312	412	203	339
2005–06	328	381	327	349	306	337	361	316	342
2006–07	358	393	332	355	307	328	325	258	355
2007–08	361	382	347	383	347	377	358	279	364
2008–09	420	463	442	425	394	461	348	306	432
2009–10	426	484	451	432	377	320	295	264	436
2010–11	450	517	499	471	388	342	296	260	467
2011–12	486	554	551	353	419	468	312	282	492
Average annual growth rate (%)									
2001–02 to 2006–07	2.9	1.1	1.9	1.1	2.8	–3.5	–0.7	–0.2	1.7
2006–07 to 2011–12	6.3	7.1	10.7	–0.1	6.4	7.4	–0.8	1.8	6.7
2001–02 to 2011–12	4.6	4.0	6.2	0.5	4.6	1.8	–0.7	0.8	4.2

(a) Non-government funding includes funding from private health insurers, out-of-pocket expenses paid by individuals and payments by injury compensation insurers.

(b) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A21: Non-government^(a) funding of public hospital services, per person, constant prices^(b), for each state and territory, 2001-02 to 2011-12 (\$)

Year	NSW	VIC	Qld	WA	SA	Tas	ACT	NT	Australia
2001-02	124	131	42	65	45	125	107	95	98
2002-03	125	103	43	67	51	134	106	66	92
2003-04	119	103	25	47	48	84	141	35	83
2004-05	136	128	30	68	50	76	184	29	99
2005-06	123	140	44	85	52	95	166	82	102
2006-07	136	144	56	82	60	91	150	66	109
2007-08	142	133	74	87	96	102	206	70	116
2008-09	158	163	90	110	109	129	47	65	134
2009-10	165	160	106	98	100	50	48	60	135
2010-11	175	179	136	125	101	68	54	53	152
2011-12	184	194	175	47	110	82	61	39	159
Average annual growth rates (%)									
2001-02 to 2006-07	1.9	1.9	5.9	4.6	6.0	-6.2	7.0	-6.9	2.3
2006-07 to 2011-12	6.2	6.1	25.5	-10.7	12.7	-2.2	-16.4	-10.1	7.7
2001-02 to 2011-12	4.0	4.0	15.3	-3.3	9.3	-4.2	-5.4	-8.5	4.9

(a) Non-government funding includes funding from private health insurers, out-of-pocket expenses paid by individuals and payments by injury compensation insurers.

(b) Constant price health expenditure for 2001-02 to 2011-12 is expressed in terms of 2011-12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A22: Non-government^(a) funding for public hospitals, and public hospital share of non-government funding for all hospitals, constant prices^(b), for each state and territory, 2001–02 to 2011–12

Year	NSW		Vic		Qld		WA		SA		Tas		ACT		NT		Australia	
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)
2001–02	811	39.8	633	35.4	154	14.1	124	19.3	68	16.7	59	31.8	34	31.5	19	35.8	1,900	30.1
2002–03	824	39.7	503	30.6	160	15.0	128	21.6	77	17.5	64	36.9	34	30.5	13	28.2	1,804	29.3
2003–04	791	36.5	508	29.7	94	8.8	92	15.0	73	16.3	40	24.5	46	36.3	7	15.7	1,651	26.1
2004–05	912	38.9	642	34.4	117	10.2	135	20.6	77	16.7	37	24.3	60	44.4	6	14.1	1,985	29.2
2005–06	826	37.6	708	36.9	178	13.7	173	24.4	80	17.0	46	28.0	55	45.7	17	26.2	2,083	30.0
2006–07	923	38.0	742	37.0	231	17.2	170	23.0	94	19.6	45	27.6	51	46.0	14	25.9	2,270	31.0
2007–08	973	39.2	696	35.0	311	21.6	185	22.7	152	27.7	50	26.8	70	57.1	15	25.3	2,453	32.1
2008–09	1,102	37.5	869	35.3	388	20.5	243	25.9	174	27.7	64	27.9	16	13.2	15	21.4	2,872	31.0
2009–10	1,167	38.6	868	33.1	466	23.6	220	22.5	161	26.4	25	15.5	17	16.0	14	22.8	2,937	30.8
2010–11	1,249	38.7	980	34.5	602	27.2	289	26.4	165	26.0	34	19.7	19	18.0	12	20.3	3,350	32.4
2011–12	1,324	37.5	1,078	34.9	787	31.6	110	13.1	180	26.0	41	17.3	23	19.5	9	13.7	3,552	32.1

(a) Non-government funding includes funding from private health insurers, out-of-pocket expenses paid by individuals and payments by injury compensation insurers.

(b) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A23: Private health insurance funding for public and private hospitals, constant prices^(a), 2001–02 to 2011–12 (\$ million)

Year	Public hospital services		Private hospitals		Total	
	Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)
2001–02	378	10.1	3,359	89.9	3,737	100.0
2002–03	406	10.3	3,531	89.7	3,937	100.0
2003–04	441	10.6	3,722	89.4	4,163	100.0
2004–05	491	11.4	3,806	88.6	4,297	100.0
2005–06	506	11.7	3,811	88.3	4,316	100.0
2006–07	553	12.1	4,004	87.9	4,557	100.0
2007–08	589	12.3	4,184	87.7	4,772	100.0
2008–09	664	12.6	4,612	87.4	5,276	100.0
2009–10	667	12.5	4,676	87.5	5,343	100.0
2010–11	686	12.1	4,998	87.9	5,684	100.0
2011–12	805	12.8	5,483	87.2	6,287	100.0

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A24: Individuals' funding for public and private hospitals, constant prices^(a), 2001-02 to 2011-12 (\$ million)

Year	Public hospital services		Private hospitals		Total	
	Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)
2001-02	514	55.9	405	44.1	919	100.0
2002-03	409	67.6	196	32.4	605	100.0
2003-04	227	40.7	330	59.3	557	100.0
2004-05	357	52.4	325	47.6	682	100.0
2005-06	418	55.2	339	44.8	757	100.0
2006-07	281	39.2	435	60.8	717	100.0
2007-08	527	58.3	376	41.7	903	100.0
2008-09	1,050	51.5	990	48.5	2,041	100.0
2009-10	969	43.2	1,274	56.8	2,243	100.0
2010-11	1,185	46.2	1,379	53.8	2,564	100.0
2011-12	1,117	45.6	1,334	54.4	2,450	100.0

(a) Constant price health expenditure for 2001-02 to 2011-12 is expressed in terms of 2011-12 prices.

Source: AIHW health expenditure database.

Table A25: Total expenditure on primary health care, by source of funding and share of funding, constant prices^(a), 2001–02 to 2011–12

Year	Australian Government		State/territory and local		Total government		Private health insurance		Individuals		Other non-government ^(b)		Total non-government		Total	
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)
2001–02	12,968	42.1	5,264	17.1	18,231	59.2	1,400	4.5	9,734	31.6	1,456	4.7	12,590	40.8	30,821	100.0
2002–03	13,461	42.0	5,647	17.6	19,108	59.6	1,415	4.4	9,979	31.1	1,582	4.9	12,975	40.4	32,084	100.0
2003–04	13,951	42.1	5,003	15.1	18,954	57.2	1,425	4.3	11,000	33.2	1,778	5.4	14,203	42.8	33,157	100.0
2004–05	15,055	42.7	5,170	14.7	20,226	57.4	1,418	4.0	11,822	33.5	1,780	5.0	15,019	42.6	35,245	100.0
2005–06	14,832	41.8	5,427	15.3	20,259	57.1	1,434	4.0	12,144	34.2	1,672	4.7	15,250	42.9	35,509	100.0
2006–07	15,787	41.8	5,874	15.6	21,661	57.4	1,498	4.0	12,944	34.3	1,625	4.3	16,066	42.6	37,727	100.0
2007–08	17,921	43.9	6,342	15.5	24,263	59.4	1,549	3.8	13,262	32.5	1,762	4.3	16,572	40.6	40,835	100.0
2008–09	18,957	44.3	6,622	15.5	25,579	59.8	1,678	3.9	13,792	32.2	1,717	4.0	17,187	40.2	42,766	100.0
2009–10	20,261	44.9	6,548	14.5	26,809	59.4	1,659	3.7	14,889	33.0	1,772	3.9	18,320	40.6	45,129	100.0
2010–11	21,526	44.3	6,692	13.8	28,218	58.1	1,717	3.5	16,831	34.7	1,771	3.6	20,319	41.9	48,537	100.0
2011–12	22,622	44.7	7,092	14.0	29,715	58.7	1,910	3.8	17,171	33.9	1,825	3.6	20,906	41.3	50,621	100.0

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

(b) Other non-government includes expenditure on health goods and services by workers compensation and compulsory motor vehicle third-party insurers, as well as other sources of income (for example, interest earned) of service providers.

Source: AIHW health expenditure database.

Table A26: Australian Government funding of primary health care, per person, constant prices^(a), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	693	637	666	629	699	743	618	730	669
2002–03	712	662	673	650	732	741	589	765	687
2003–04	722	679	690	664	751	770	688	847	704
2004–05	772	721	751	703	803	810	627	931	751
2005–06	748	702	730	676	791	798	633	907	730
2006–07	787	729	770	705	817	822	714	1,020	765
2007–08	879	822	838	772	906	921	833	1,332	853
2008–09	927	848	862	777	939	957	754	1,387	883
2009–10	969	892	912	798	1,000	1,037	753	1,483	927
2010–11	1,008	932	956	840	1,057	1,197	803	1,510	971
2011–12	1,034	957	1,009	863	1,108	1,141	948	1,711	1,005
Average annual growth rate (%)									
2001–02 to 2006–07	2.6	2.7	2.9	2.3	3.2	2.0	2.9	6.9	2.7
2006–07 to 2011–12	5.6	5.6	5.6	4.1	6.3	6.8	5.8	10.9	5.6
2001–02 to 2011–12	4.1	4.2	4.2	3.2	4.7	4.4	4.4	8.9	4.2

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A27: State and territory government funding of primary health care, per person, constant prices^(a), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	251	228	359	171	178	640	446	890	272
2002–03	229	276	354	261	339	266	549	821	288
2003–04	214	204	258	343	305	242	491	945	252
2004–05	218	204	267	357	313	256	488	954	258
2005–06	246	212	292	289	310	249	472	1,000	267
2006–07	259	223	289	395	300	335	433	962	285
2007–08	262	227	338	382	342	408	475	1,057	302
2008–09	257	221	372	351	364	401	487	1,465	308
2009–10	223	212	418	330	384	367	518	1,100	299
2010–11	246	158	417	335	436	333	526	1,569	302
2011–12	251	156	464	332	473	308	529	1,633	315
Average annual growth rate (%)									
2001–02 to 2006–07	0.6	–0.4	–4.2	18.2	11.0	–12.1	–0.6	1.6	0.9
2006–07 to 2011–12	–0.6	–6.9	9.9	–3.4	9.5	–1.7	4.1	11.2	2.0
2001–02 to 2011–12	—	–3.7	2.6	6.9	10.3	–7.1	1.7	6.3	1.5

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A28: Non-government^(a) funding of primary health care, per person, constant prices^(b), for each state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	677	754	518	639	560	574	677	531	649
2002–03	686	774	547	626	564	574	694	536	662
2003–04	742	813	614	676	652	589	771	563	716
2004–05	770	848	662	702	669	618	815	611	749
2005–06	769	852	661	703	688	625	801	602	751
2006–07	789	892	713	725	643	670	854	662	779
2007–08	804	865	729	792	677	679	771	667	789
2008–09	815	873	731	849	679	693	744	671	800
2009–10	874	927	749	826	724	703	764	651	838
2010–11	924	1,023	804	925	856	892	893	720	916
2011–12	910	1,061	815	957	853	979	902	744	929
Average annual growth rate (%)									
2001–02 to 2006–07	3.1	3.4	6.6	2.6	2.8	3.1	4.8	4.5	3.7
2006–07 to 2011–12	2.9	3.5	2.7	5.7	5.8	7.9	1.1	2.4	3.6
2001–02 to 2011–12	3.0	3.5	4.6	4.1	4.3	5.5	2.9	3.4	3.7

(a) Non-government funding includes funding from private health insurers, out-of-pocket expenses paid by individuals and payments by injury compensation insurers.

(b) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A29: Total expenditure on primary health care, by area of expenditure and source of funding, current prices, by area of expenditure and source of funds, 2011–12 (\$ million)

Area of expenditure	Government						Non-government				
	Australian Government										
	DVA	Dept of Health and other ^(a)	Premium rebates ^(b)	Total	State and local	Total	Health insurance funds	Individuals	Other ^(c)	Total	Total recurrent expenditure
Medical services (non referred)	837	7,047	.	7,884	—	7,884	.	640	1,128	1,768	9,651
Dental services	104	956	528	1,587	718	2,305	1,261	4,736	34	6,031	8,336
Other health practitioners	236	1,061	250	1,547	8	1,555	599	1,928	390	2,916	4,472
Community health and other ^(f)	1	1,121	—	1,122	5,703	6,825	1	115	149	265	7,090
Public health	—	1,503	—	1,503	663	2,166	—	20	47	66	2,232
Medications	467	8,492	21	8,980	—	8,980	50	9,733	78	9,860	18,839
Benefit-paid pharmaceuticals	467	7,963	—	8,430	—	8,430	—	1,665	—	1,665	10,096
All other medications	—	528	21	549	—	549	50	8,067	78	8,195	8,744
Total recurrent funding	1,644	20,179	799	22,622	7,092	29,715	1,910	17,171	1,825	20,906	50,621

(a) 'Other' comprises other Australian Government expenditure on primary health care that is not funded by the Australian Government Department of Health.

(b) Includes the 30–40% rebate on health insurance premiums that can be claimed either directly from the Australian Government through the taxation system or it may involve a reduced premium being charged by the private health insurance fund.

(c) 'Other' includes expenditure on health goods and services by workers compensation and compulsory motor vehicle third-party insurers, as well as other sources of income (for example, interest earned) of service providers.

Source: AIHW health expenditure database.

Table A30: Total funding of primary health care expenditure, constant prices^(a), by area of expenditure, and proportion of total health expenditure, 2001–02 to 2011–12

Year	Medical services		Dental services		Other health practitioners		Community health and other		Public health		Benefit-paid pharmaceuticals		All other medications		Total recurrent funding	
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)
2001–02	7,048	22.9	5,593	18.1	3,037	9.9	4,382	14.2	1,561	5.1	5,614	18.2	3,586	11.6	30,821	100.0
2002–03	7,005	21.8	5,755	17.9	3,220	10.0	4,818	15.0	1,711	5.3	6,223	19.4	3,352	10.4	32,084	100.0
2003–04	7,063	21.3	5,844	17.6	3,392	10.2	4,586	13.8	1,715	5.2	6,806	20.5	3,752	11.3	33,157	100.0
2004–05	7,479	21.2	6,130	17.4	3,482	9.9	4,837	13.7	1,906	5.4	7,192	20.4	4,220	12.0	35,245	100.0
2005–06	7,221	20.3	6,133	17.3	3,602	10.1	5,006	14.1	1,853	5.2	7,388	20.8	4,305	12.1	35,509	100.0
2006–07	7,501	19.9	6,306	16.7	3,805	10.1	5,407	14.3	2,074	5.5	7,595	20.1	5,038	13.4	37,727	100.0
2007–08	8,252	20.2	6,473	15.9	3,926	9.6	5,979	14.6	2,516	6.2	8,189	20.1	5,500	13.5	40,835	100.0
2008–09	8,359	19.5	7,052	16.5	3,828	9.0	5,906	13.8	2,411	5.6	8,961	21.0	6,249	14.6	42,766	100.0
2009–10	8,837	19.6	7,775	17.2	4,074	9.0	6,103	13.5	2,082	4.6	9,616	21.3	6,642	14.7	45,129	100.0
2010–11	9,445	19.5	7,878	16.2	4,322	8.9	6,455	13.3	1,994	4.1	9,775	20.1	8,668	17.9	48,537	100.0
2011–12	9,651	19.1	8,336	16.5	4,472	8.8	7,090	14.0	2,232	4.4	10,096	19.9	8,744	17.3	50,621	100.0

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A31: Total expenditure on other areas of health spending, by source of funding and annual growth rates, constant prices^(a), 2001–02 to 2011–12

Year	Australian Government		State/territory and local		Total government		Private health insurance		Individuals		Other non-government ^(b)		Total non-government		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2001–02	10,341	..	1,445	..	11,786	..	1,794	..	3,027	..	296	..	5,117	..	16,903	..
2002–03	10,704	3.5	1,640	13.5	12,343	4.7	1,878	4.7	3,333	10.1	334	13.0	5,546	8.4	17,889	5.8
2003–04	11,104	3.7	1,922	17.2	13,026	5.5	1,916	2.0	3,444	3.3	309	–7.7	5,668	2.2	18,694	4.5
2004–05	11,868	6.9	2,158	12.3	14,026	7.7	1,914	–0.1	3,521	2.2	316	2.5	5,752	1.5	19,778	5.8
2005–06	12,283	3.5	2,074	–3.9	14,357	2.4	1,957	2.2	3,684	4.6	332	5.0	5,973	3.8	20,330	2.8
2006–07	12,785	4.1	2,129	2.6	14,914	3.9	2,095	7.0	4,011	8.9	343	3.3	6,449	8.0	21,363	5.1
2007–08	13,839	8.2	2,226	4.6	16,065	7.7	2,324	10.9	4,096	2.1	359	4.5	6,778	5.1	22,843	6.9
2008–09	15,222	10.0	2,798	25.7	18,020	12.2	2,477	6.6	4,419	7.9	488	36.1	7,384	8.9	25,404	11.2
2009–10	15,880	4.3	2,981	6.6	18,861	4.7	2,453	–1.0	4,771	8.0	451	–7.6	7,675	3.9	26,536	4.5
2010–11	15,132	–4.7	3,175	6.5	18,307	–2.9	2,640	7.6	5,092	6.7	429	–4.8	8,162	6.3	26,468	–0.3
2011–12	16,488	9.0	3,182	0.2	19,671	7.5	2,968	12.4	5,174	1.6	444	3.4	8,585	5.2	28,256	6.8
Average annual growth rate (%)																
2001–02 to 2006–07		4.3		8.1		4.8		3.2		5.8		3.0		4.7		4.8
2006–07 to 2011–12		5.2		8.4		5.7		7.2		5.2		5.3		5.9		5.8
2001–02 to 2011–12		4.8		8.2		5.3		5.2		5.5		4.1		5.3		5.3

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

(b) Other non-government includes expenditure on health goods and services by workers compensation and compulsory motor vehicle third-party insurers, as well as other sources of income (for example, interest earned) of service providers.

Source: AIHW health expenditure database.

Table A32: Total funding of other health expenditure, by area of expenditure, and proportion of total other health expenditure, constant prices^(a), 2001–02 to 2011–12

Year	Patient transport services		Referred medical services		Aids and appliances		Administration		Research		Total
	Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)	Amount (\$m)
2001–02	1,396	8.3	9,048	53.5	2,015	11.9	2,582	15.3	1,862	11.0	16,903
2002–03	1,565	8.8	9,372	52.4	2,148	12.0	2,844	15.9	1,960	11.0	17,889
2003–04	1,717	9.2	9,659	51.7	2,228	11.9	2,984	16.0	2,106	11.3	18,694
2004–05	1,824	9.2	10,120	51.2	2,446	12.4	3,117	15.8	2,271	11.5	19,778
2005–06	1,821	9.0	10,405	51.2	2,549	12.5	2,989	14.7	2,566	12.6	20,330
2006–07	2,045	9.6	10,986	51.4	2,694	12.6	2,837	13.3	2,800	13.1	21,363
2007–08	2,224	9.7	11,769	51.5	2,697	11.8	3,014	13.2	3,138	13.7	22,843
2008–09	2,576	10.1	12,561	49.4	2,883	11.3	3,328	13.1	4,056	16.0	25,404
2009–10	2,688	10.1	13,067	49.2	3,244	12.2	3,043	11.5	4,494	16.9	26,536
2010–11	2,852	10.8	13,474	50.9	3,580	13.5	2,111	8.0	4,452	16.8	26,468
2011–12	2,991	10.6	14,249	50.4	3,687	13.0	2,390	8.5	4,939	17.5	28,256

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A33: Total expenditure on patient transport services, by source of funding and annual growth rates, constant prices^(a), 2001–02 to 2011–12

Year	Australian Government		State/territory and local		Total government		Private health insurance		Individuals		Other non-government ^(b)		Total non-government		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2001–02	157	..	757	..	915	..	123	..	278	..	80	..	481	..	1,396	..
2002–03	168	6.8	870	14.8	1,038	13.4	125	1.5	294	6.0	108	34.9	528	9.7	1,565	12.1
2003–04	182	8.4	1,095	25.9	1,277	23.1	118	–5.8	226	–23.1	96	–11.7	440	–16.6	1,717	9.7
2004–05	200	9.8	1,178	7.6	1,378	7.9	121	2.2	233	2.8	93	–3.1	446	1.3	1,824	6.2
2005–06	191	–4.2	1,182	0.3	1,373	–0.4	114	–5.5	247	6.2	86	–7.0	447	0.3	1,821	–0.2
2006–07	216	12.8	1,363	15.4	1,579	15.0	121	5.9	266	7.7	79	–8.7	466	4.1	2,045	12.3
2007–08	280	29.8	1,441	5.7	1,721	9.0	141	16.8	286	7.5	76	–3.4	503	8.1	2,224	8.8
2008–09	287	2.5	1,679	16.5	1,967	14.3	157	11.3	358	24.8	95	25.5	610	21.1	2,576	15.8
2009–10	292	1.5	1,747	4.1	2,039	3.7	162	3.3	369	3.3	118	23.4	649	6.5	2,688	4.3
2010–11	290	–0.5	1,918	9.8	2,208	8.3	166	2.7	373	1.0	104	–11.6	644	–0.9	2,852	6.1
2011–12	281	–3.1	2,084	8.7	2,365	7.1	179	7.7	351	–6.0	96	–8.0	626	–2.8	2,991	4.9
Average annual growth rate (%)																
2001–02 to 2006–07	6.6		12.5		11.5		–0.3		–0.9		–0.3		–0.6		7.9	
2006–07 to 2011–12	5.4		8.9		8.4		8.1		5.7		4.0		6.1		7.9	
2001–02 to 2011–12	6.0		10.7		10.0		3.8		2.4		1.8		2.7		7.9	

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

(b) Other non-government includes expenditure on health goods and services by workers compensation and compulsory motor vehicle third-party insurers, as well as other sources of income (for example, interest earned) of service providers.

Source: AIHW health expenditure database.

Table A34: Total expenditure on referred medical services, by source of funding and annual growth rates, constant prices^(a), 2001–02 to 2011–12

Year	Australian Government		Total government		Private health insurance		Individuals		Total non-government		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2001–02	7,154	..	7,154	..	599	..	1,295	..	1,894	..	9,048	..
2002–03	7,277	1.7	7,277	1.7	675	12.8	1,419	9.6	2,095	10.6	9,372	3.6
2003–04	7,433	2.1	7,433	2.1	728	7.7	1,498	5.6	2,226	6.3	9,659	3.1
2004–05	7,921	6.6	7,921	6.6	732	0.5	1,467	–2.1	2,199	–1.2	10,120	4.8
2005–06	8,109	2.4	8,109	2.4	758	3.6	1,539	4.9	2,297	4.4	10,405	2.8
2006–07	8,436	4.0	8,436	4.0	811	7.0	1,740	13.1	2,550	11.0	10,986	5.6
2007–08	9,032	7.1	9,032	7.1	888	9.5	1,849	6.3	2,737	7.3	11,769	7.1
2008–09	9,610	6.4	9,610	6.4	971	9.3	1,980	7.1	2,951	7.8	12,561	6.7
2009–10	9,954	3.6	9,954	3.6	986	1.5	2,127	7.4	3,113	5.5	13,067	4.0
2010–11	10,176	2.2	10,176	2.2	1,071	8.6	2,228	4.7	3,298	6.0	13,474	3.1
2011–12	10,733	5.5	10,733	5.5	1,200	12.1	2,315	3.9	3,515	6.6	14,249	5.7
Average annual growth rate (%)												
2001–02 to 2006–07		3.4		3.4		6.2		6.1		6.1		4.0
2006–07 to 2011–12		4.9		4.9		8.2		5.9		6.6		5.3
2001–02 to 2011–12		4.1		4.1		7.2		6.0		6.4		4.6

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A35: Total expenditure on aids and appliances, by source of funding and annual growth rates, constant prices^(a), 2001–02 to 2011–12

Year	Australian Government		Total government		Private health insurance		Individuals		Other non-government ^(b)		Total non-government		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2001–02	211	..	260 ^(c)	..	244	..	1,454	..	57	..	1,755	..	2,015	..
2002–03	226	7.5	226	–13.0	248	1.5	1,620	11.4	54	–5.0	1,922	9.5	2,148	6.6
2003–04	226	–0.2	226	–0.2	251	1.2	1,719	6.1	33	–39.7	2,003	4.2	2,228	3.7
2004–05	344	52.2	344	52.2	246	–1.7	1,821	5.9	34	5.4	2,102	5.0	2,446	9.8
2005–06	361	5.1	361	5.1	251	1.9	1,898	4.2	38	11.8	2,188	4.1	2,549	4.2
2006–07	380	5.2	380	5.2	269	7.1	2,005	5.6	40	4.6	2,314	5.8	2,694	5.7
2007–08	416	9.5	416	9.5	281	4.5	1,961	–2.2	39	–2.2	2,281	–1.4	2,697	0.1
2008–09	459	10.4	459	10.4	321	14.0	2,060	5.1	43	10.5	2,424	6.3	2,883	6.9
2009–10	558	21.4	558	21.4	365	13.8	2,275	10.4	47	7.5	2,686	10.8	3,244	12.5
2010–11	611	9.6	611	9.6	425	16.6	2,488	9.4	55	18.8	2,969	10.5	3,580	10.4
2011–12	631	3.3	631	3.3	488	14.9	2,503	0.6	65	16.8	3,056	2.9	3,687	3.0
Average annual growth rate (%)														
2001–02 to 2006–07	12.5		7.9		2.0		6.6		–6.8		5.7		6.0	
2006–07 to 2011–12	10.7		10.7		12.7		4.5		10.2		5.7		6.5	
2001–02 to 2011–12	11.6		9.3		7.2		5.6		1.3		5.7		6.2	

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

(b) Other non-government includes expenditure on health goods and services by workers compensation and compulsory motor vehicle third-party insurers, as well as other sources of income (for example, interest earned) of service providers.

(c) Includes \$50 million state and territory government funding in 2001–02.

Source: AIHW health expenditure database.

Table A36: Individuals' funding of aids and appliances, constant prices^(a), per person, for state and territory, 2001–02 to 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	53	95	76	104	82	67	53	39	75
2002–03	55	101	82	136	90	74	54	42	83
2003–04	59	104	88	140	94	78	54	58	87
2004–05	60	108	91	158	96	81	54	60	91
2005–06	61	111	93	165	98	88	55	61	93
2006–07	63	114	97	177	100	94	58	66	97
2007–08	63	103	93	174	98	90	58	62	93
2008–09	61	115	93	187	82	93	56	66	96
2009–10	63	129	104	198	87	104	57	68	104
2010–11	67	142	111	212	93	108	60	76	112
2011–12	66	143	108	208	92	102	58	69	111
Average annual growth rate (%)									
2001–02 to 2006–07	3.5	3.7	5.0	11.2	4.0	7.0	1.8	11.1	5.3
2006–07 to 2011–12	0.9	4.6	2.2	3.3	–1.7	1.6	—	0.9	2.7
2001–02 to 2011–12	2.2	4.2	3.6	7.2	1.2	4.3	0.9	5.9	4.0

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Sources: AIHW health expenditure database; ABS 2013b.

Table A37: Total expenditure on health administration, by source of funding and annual growth rates, constant prices^(a), 2001–02 to 2011–12

Year	Australian Government		State/territory and local		Total government		Total non-government		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2001–02	1,389	..	364	..	1,753	..	828	..	2,582	..
2002–03	1,485	6.9	529	45.2	2,014	14.9	830	0.2	2,844	10.2
2003–04	1,617	8.9	548	3.5	2,165	7.5	820	–1.2	2,984	4.9
2004–05	1,626	0.6	676	23.3	2,302	6.3	816	–0.5	3,117	4.5
2005–06	1,604	–1.3	551	–18.4	2,155	–6.4	834	2.3	2,989	–4.1
2006–07	1,565	–2.4	378	–31.4	1,943	–9.8	894	7.2	2,837	–5.1
2007–08	1,659	6.0	342	–9.6	2,000	2.9	1,013	13.3	3,014	6.2
2008–09	1,821	9.8	436	27.8	2,257	12.8	1,071	5.7	3,328	10.4
2009–10	1,633	–10.3	451	3.3	2,084	–7.7	959	–10.5	3,043	–8.6
2010–11	665	–59.3	461	2.3	1,126	–46.0	985	2.7	2,111	–30.6
2011–12	988	48.4	300	–34.8	1,288	14.4	1,102	11.9	2,390	13.2
Average annual growth rate (%)										
2001–02 to 2006–07		2.4		0.8		2.1		1.5		1.9
2006–07 to 2011–12		–8.8		–4.5		–7.9		4.3		–3.4
2001–02 to 2011–12		–3.3		–1.9		–3.0		2.9		–0.8

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A38: Total expenditure on health research, by source of funding and annual growth rates, constant prices^(a), 2001–02 to 2011–12

Year	Australian Government		State/territory and local		Total government		Total non-Government		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2001–02	1,430	..	274	..	1,704	..	159	..	1,862	..
2002–03	1,547	8.2	241	–11.9	1,788	5.0	172	8.4	1,960	5.3
2003–04	1,646	6.4	279	16.0	1,926	7.7	180	4.9	2,106	7.4
2004–05	1,777	8.0	305	9.0	2,082	8.1	189	4.9	2,271	7.8
2005–06	2,017	13.5	341	12.1	2,359	13.3	207	9.6	2,566	13.0
2006–07	2,188	8.5	388	13.6	2,576	9.2	224	8.1	2,800	9.1
2007–08	2,451	12.0	444	14.5	2,895	12.4	243	8.5	3,138	12.1
2008–09	3,045	24.2	682	53.7	3,727	28.8	328	35.0	4,056	29.2
2009–10	3,443	13.1	783	14.8	4,226	13.4	268	–18.5	4,494	10.8
2010–11	3,389	–1.6	796	1.7	4,186	–1.0	266	–0.5	4,452	–0.9
2011–12	3,855	13.7	798	0.2	4,653	11.2	286	7.3	4,939	10.9
Average annual growth rate (%)										
2001–02 to 2006–07		8.9		7.2		8.6		7.1		8.5
2006–07 to 2011–12		12.0		15.5		12.6		5.0		12.0
2001–02 to 2011–12		10.4		11.3		10.6		6.0		10.2

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A39: Total funding for pharmaceuticals, per person, constant prices^(a), for each state and territory, 2001-02 to 2011-12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001-02	479	486	457	466	511	514	368	275	475
2002-03	500	495	476	464	520	529	382	260	488
2003-04	537	547	536	491	558	569	413	290	533
2004-05	571	592	586	505	584	594	439	320	569
2005-06	576	601	585	515	598	615	439	325	576
2006-07	612	637	627	552	629	658	464	344	612
2007-08	653	668	663	605	676	701	512	372	651
2008-09	713	723	721	654	740	764	548	409	708
2009-10	751	758	756	678	782	808	575	431	744
2010-11	868	849	795	736	911	940	640	450	832
2011-12	871	839	811	758	908	1,060	591	447	837

(a) Constant price health expenditure for 2001-02 to 2011-12 is expressed in terms of 2011-12 prices.

Source: AIHW health expenditure database.

Table A40: Medicare funding for primary health care, per person, constant prices^(a), for each state and territory, 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	233	224	217	210	224	215	209	131	223
2002–03	227	219	209	205	219	208	205	129	217
2003–04	223	214	209	201	216	203	206	129	214
2004–05	234	221	218	203	220	205	207	131	221
2005–06	249	236	231	214	239	219	216	137	236
2006–07	254	241	231	211	239	222	222	146	238
2007–08	270	261	246	221	255	239	219	169	254
2008–09	270	258	246	215	258	237	219	168	253
2009–10	278	267	256	220	271	247	233	173	262
2010–11	283	277	266	220	277	472	250	178	274
2011–12	292	282	275	222	285	266	251	188	276

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A41: Medicare funding for other services, per person, constant prices^(a), for each state and territory, 2011–12 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2001–02	502	464	452	443	443	421	442	230	467
2002–03	515	475	458	457	452	441	463	224	478
2003–04	515	487	483	462	460	425	537	191	487
2004–05	538	497	509	470	475	428	556	199	505
2005–06	540	504	528	477	482	433	562	203	512
2006–07	566	528	540	491	501	449	574	203	533
2007–08	609	560	547	511	523	496	492	273	560
2008–09	630	612	561	513	546	500	511	276	585
2009–10	656	598	576	530	569	544	526	282	598
2010–11	653	610	608	527	586	524	643	227	608
2011–12	698	633	625	540	595	559	553	299	633

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Table A42: Capital expenditure, by source of funds, constant prices^(a), 2001–02 to 2011–12 (\$ million)

Year	Government							
	Australian Government		State and territory governments		Non-government		Total	
	Amount (\$ million)	Growth (%)	Amount (\$ million)	Growth (%)	Amount (\$ million)	Growth (%)	Amount (\$ million)	Growth (%)
2001–02	84	..	1,697	..	2,370	..	4,151	..
2002–03	77	–8.8	1,781	4.9	2,644	11.6	4,501	8.4
2003–04	96	25.3	1,203	–32.4	2,786	5.4	4,085	–9.2
2004–05	128	33.3	1,750	45.4	2,834	1.7	4,711	15.3
2005–06	103	–19.5	2,120	21.2	2,902	2.4	5,125	8.8
2006–07	112	8.9	2,245	5.9	3,366	16.0	5,723	11.7
2007–08	111	–1.0	2,075	–7.6	3,477	3.3	5,663	–1.1
2008–09	96	–13.1	2,688	29.5	2,871	–17.4	5,656	–0.1
2009–10	135	40.3	2,853	6.1	2,093	–27.1	5,081	–10.2
2010–11	135	0.2	4,204	47.4	2,302	10.0	6,641	30.7
2011–12	336	148.4	5,111	21.6	2,408	4.6	7,855	18.3
Average annual growth rate (%)								
2001–02 to 2006–07		5.9			5.8	7.3		6.6
2006–07 to 2011–12		24.6			17.9	–6.5		6.5
2001–02 to 2011–12		14.9			11.7	0.2		6.6

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Appendix B Technical notes

For this publication, all expenditure that had been reported in *Health expenditure Australia 2011–12* (AIHW 2013b) and in the online health expenditure data cubes for years 2001–02 to 2011–12 (available via <<http://www.aihw.gov.au/expenditure-data/>>) has been allocated to 4 broad categories:

- hospitals
- primary health care
- other recurrent
- capital expenditure.

This allocation was based on the areas of expenditure categories historically used in the *Health expenditure Australia* series. Apart from ‘medical services’, all the historically used area of expenditure categories were allocated 100% to one of the above broad categories as shown in Table B1 below.

Table B1: Categorisation of areas of expenditure into hospitals, primary health care, other recurrent and capital expenditure

Area of expenditure	Categorisation	Share
Total hospitals	Hospitals	100%
Public hospital services	Hospitals	100%
Private hospitals	Hospitals	100%
Patient transport services	Other recurrent	100%
Medical services	Partly ‘Primary health care’ and partly ‘Other recurrent’	Varies ^(a)
Dental services	Primary health care	100%
Other health practitioners	Primary health care	100%
Community health and other	Primary health care	100%
Public health	Primary health care	100%
Medications	Primary health care	100%
Benefit-paid pharmaceuticals	Primary health care	100%
All other medications	Primary health care	100%
Aids and appliances	Other recurrent	100%
Administration	Other recurrent	100%
Research	Other recurrent	100%
Capital expenditure	Capital expenditure	100%
Medical expenses tax rebate	Excluded	n.a.

(a) See Table B2.

Medical services allocation

Medical services expenditure includes expenditure for services provided by, or on behalf of, registered medical practitioners that are funded by the Medicare Benefits Schedule (MBS), DVA, compulsory motor vehicle third-party insurance, workers compensation insurance,

private health insurance funds, Australian Government premium rebates allocated to medical services, Medicare copayments and other out-of-pocket payments.

Table B2 shows the allocation of the broad Medicare service categories to either primary health care or to other recurrent expenditure.

Table B2: Categorisation of Medicare broad type of service categories^(a) to primary health care and other recurrent expenditure, 2001–02 to 2011–12

Medicare broad type of service category	Categorisation	Share of total Medicare medical services expenditure in 2011–12 (%)	Share of total medical services expenditure in 2011–12 (%)
Non-referred attendances: GP/VRGP attendances	Primary health care	25.4	21.7
Non-referred attendances: enhanced primary care attendances	Primary health care	4.0	3.4
Non-referred attendances: other non-referred attendances	Primary health care	0.9	0.7
Non-referred attendances: practice nurse	Primary health care	0.2	0.1
Specialist attendances	Other recurrent	13.4	11.5
Obstetrics	Other recurrent	2.3	2.0
Anaesthetics	Other recurrent	4.3	3.7
Pathology episode initiation	Other recurrent	1.5	1.3
Pathology test	Other recurrent	10.4	8.9
Diagnostic imaging	Other recurrent	14.4	12.3
Operations	Other recurrent	13.5	11.6
Assistance at operations	Other recurrent	0.7	0.6
Radiotherapy and therapeutic nuclear medicine	Other recurrent	1.3	1.1
Other MBS	Other recurrent	7.8	6.7
Total		100.0	85.6

(a) Excludes dental, allied health and optometry because these are not medical services.

Medical services also include non-MBS medical services, such as the provision of vaccines for overseas travel, as well as some expenditure by the Australian Government under alternative funding arrangements. This expenditure has been allocated to primary health care in this report.

Private health insurers generally do not pay out benefits for medical services received through the primary health care setting. Therefore, any private health insurance benefits paid out for medical services (along with the proportion of the private health insurance premium rebate assigned to medical services) have been allocated to other recurrent expenditure rather than to primary health care in this report.

Table B3 shows the allocation of expenditure for medical services to primary health care compared with other recurrent expenditure between 2001–02 and 2011–12.

Table B3: Total expenditure on medical services, by broad area of expenditure, constant prices^(a), 2001–02 to 2011–12

Year	Primary health care		Other recurrent		Total	
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)
2001–02	7,048	43.8	9,048	56.2	16,095	100.0
2002–03	7,005	42.8	9,372	57.2	16,377	100.0
2003–04	7,063	42.2	9,659	57.8	16,722	100.0
2004–05	7,479	42.5	10,120	57.5	17,599	100.0
2005–06	7,221	41.0	10,405	59.0	17,627	100.0
2006–07	7,501	40.6	10,986	59.4	18,488	100.0
2007–08	8,252	41.2	11,769	58.8	20,022	100.0
2008–09	8,359	40.0	12,561	60.0	20,920	100.0
2009–10	8,837	40.3	13,067	59.7	21,904	100.0
2010–11	9,445	41.2	13,474	58.8	22,919	100.0
2011–12	9,651	40.4	14,249	59.6	23,900	100.0

(a) Constant price health expenditure for 2001–02 to 2011–12 is expressed in terms of 2011–12 prices.

Source: AIHW health expenditure database.

Glossary

admitted patient: A patient who undergoes a hospital's formal 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).

aids and appliances: Durable medical goods dispensed to ambulatory patients that are used more than once, for therapeutic purposes, such as glasses, hearing aids, wheelchairs and orthopaedic appliances and prosthetics that are not implanted surgically but are external to the user of the appliance. Excludes prostheses fitted as part of admitted patient care in a hospital.

Australian Government health expenditure: Total expenditure actually incurred by the Australian Government on its own health programs. It does not include the funding provided by the Australian Government to the states and territories by way of grants under section 96 of the Constitution.

Australian Government health funding: The sum of Australian Government expenditure and section 96 grants to states and territories. This includes the 30–40% private health insurance premium rebates.

average annual growth rate: To calculate the average annual growth rate in health expenditure between 2001–02 and 2011–12, the following formula applies:
$$((\$ \text{ million in 2011–12} / \$ \text{ million in 2001–02})^{(1/10)} - 1) * 100.$$

benefit-paid pharmaceuticals: Pharmaceuticals listed in the schedule of the Pharmaceutical Benefits Scheme (PBS) and the Repatriation Pharmaceutical Benefits Scheme (RPBS) for which pharmaceutical benefits have been paid or are payable. Does not include listed pharmaceutical items where the full cost is met from the patient copayment under the PBS or RPBS.

capital consumption: The amount of fixed capital used up each year in the provision of health goods and services (sometimes referred to as depreciation).

capital expenditure: Expenditure on fixed assets (for example, new buildings and equipment with a useful life that extends beyond 1 year). This does not include changes in inventories. This term is used in this publication to refer to what the ABS calls gross fixed capital formation. See *Capital formation*.

capital formation: Gross fixed capital formation is the value of acquisitions less disposals of new or existing fixed assets. Assets consist of tangible or intangible assets that have come into existence as outputs from processes of production, and that are themselves used repeatedly or continuously in other processes of production over periods of time longer than 1 year. See *Australian national accounts: concepts, sources and methods* (ABS 2000) for further details.

chain price index: An annually re-weighted index providing a close approximation to measures of pure price change.

community health services: Non-residential health services offered by establishments to patients/clients, in an integrated and coordinated manner in a community setting, or the coordination of health services elsewhere in the community. Such services are provided by, or on behalf of, state and territory governments.

Includes, for example:

- well baby clinics
- health services provided to particular groups, such as Aboriginal and Torres Strait Islander people, women, youth and migrants, as well as family planning services, alcohol and drug treatment services
- specialised mental health programs delivered in a community setting.

constant prices: Constant price expenditure adjusts current prices for the effects of inflation; that is, it aims to remove the effects of inflation. Constant price estimates for expenditure aggregates have been derived using either annually re-weighted chain price indexes or implicit price deflators (IPDs). The reference year for both the chain price indexes and the IPDs is 2011–12 in this report. Constant price estimates indicate what expenditure would have been had 2011–12 prices applied in all years. 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.

current prices: The term ‘current prices’ refers to expenditures reported for a particular year, unadjusted for inflation. Changes in current price expenditures reflect changes in both price and volume.

dental services: Services provided by registered dental practitioners, such as: oral and maxillofacial surgery items; orthodontic, pedodontic and periodontic services; cleft lip and palate services; dental assessment and treatment; and other dental items listed in the MBS.

health administration: Activities related to the formulation and administration of government and non-government policy in health and in the setting and enforcement of standards for health personnel and for hospitals, clinics, and so forth. Includes the regulation and licensing of providers of health services.

It includes only those administrative services that cannot be allocated to a specific health good and service. Those unallocatable services might include, for example: maintaining an office of the Chief Medical Officer; a Departmental liaison officer in the office of the Minister; or a number of other agency-wide items for which it is not possible to derive appropriate or meaningful allocations to particular health programs.

health research: Research undertaken at tertiary institutions, in private non-profit organisations and in government facilities that has a health socioeconomic objective.

Excludes commercially oriented research funded by private business, the costs of which are assumed to be included in the prices charged for the goods and services (for example, medications that have been developed and/or supported by research activities).

hospital services: Services provided to a patient who is receiving admitted patient services or non-admitted patient services in a hospital, but *excludes* dental services, community health services, patient transport services, public health activities and health research undertaken within the hospital. Can include services provided off-site, such as hospital in the home, dialysis or other services.

implicit price deflator (IPD): An index obtained using the ratio of current price expenditure to constant price expenditure.

individuals' out-of-pocket funding: Payments by individuals where they meet the full cost of a good or service as well as where they share the cost of goods and services with third-party payers, such as private health insurance funds or the Australian Government.

injury compensation insurers: Workers compensation and compulsory third-party motor vehicle insurers.

jurisdictions: State, territory and local governments.

local government: A public sector unit where the political authority underlying its function is limited to a local government area or other region within a state or territory, or the functions involve policies that are primarily of concern at the local level.

medical durables: Therapeutic devices, such as glasses, hearing aids and wheelchairs that can be used more than once.

medical services: Includes services provided by, or on behalf of, registered medical practitioners that are funded by the Medicare Benefits Schedule (MBS), DVA, compulsory motor vehicle third-party insurance, workers compensation insurance, private health insurance funds, Australian Government premium rebates allocated to medical services, Medicare copayments and other out-of-pocket payments.

Most medical services in Australia are provided on a fee-for-service basis and attract benefits from the Australian Government under Medicare. These include both private in-hospital medical services and out-of-hospital medical services.

They also include non-MBS medical services, such as the provision of vaccines for overseas travel, as well as some expenditure by the Australian Government under alternative funding arrangements.

Excludes medical services provided to public admitted patients in public hospitals and medical services provided to public patients at outpatient clinics in public hospitals.

medical expenses tax rebate: Applies in regard to a wide range of health expenditures, not just expenses associated with doctors. It cannot be specifically allocated to the various areas of health expenditure.

Individuals are able to claim a rebate in respect of that part of their eligible personal health expenses that exceeds a threshold in an income year. For the 2011–12 income year, the tax rebate was 20 cents for each \$1 by which a taxpayer's net medical expenses exceeded \$2,060 (the threshold).

These tax expenditures are a form of funding only. The related expenditures have already been allocated to particular area(s) of health expenditure, but it is not possible to allocate this form of funding to particular health expenditure areas.

The Australian Department of the Treasury estimates other tax expenditures in the health area, such as the cost of exempting low-income earners from the Medicare levy. These tax expenditures are not included in the Australian NHA framework.

medications: Benefit-paid pharmaceuticals and other medications.

non-admitted patient: Patients who receive care from a recognised non-admitted patient service/clinic of a hospital.

other health practitioner services: Services provided by health practitioners (other than doctors and dentists). These include chiropractors, optometrists, physiotherapists, speech

therapists, audiologists, dieticians, podiatrists, homeopaths, naturopaths, practitioners of Chinese medicine and other forms of traditional medicine.

other medications: Pharmaceuticals for which no PBS or RPBS benefit was paid. They include:

- pharmaceuticals listed in the PBS or RPBS, the total costs of which are equal to, or less than, the statutory patient contribution for the class of patient (under copayment pharmaceuticals)
- pharmaceuticals dispensed through private prescriptions that do not fulfil the criteria for payment of benefit under the PBS or RPBS over-the-counter medicines including pharmacy-only medicines, aspirin, cough and cold medicines, vitamins and minerals, herbal and other complementary medicines, and a range of medical non-durables, such as condoms, adhesive and non-adhesive bandages.

other recurrent health services n.e.c.: Miscellaneous expenditures that could not, at that time, be allocated to the specific health expenditure areas in the matrix.

over-the-counter medicines: Therapeutic medicinal preparations that can be purchased from pharmacies and supermarkets.

over-the-counter therapeutic medical non-durables: Non-prescription therapeutic goods that tend to be single-use items, such as bandages, elastic stockings, condoms and other mechanical contraceptive devices, from pharmacies or supermarkets.

patient transport services: Expenditure by organisations primarily engaged in providing transportation of patients by ground or air, along with health (or medical) care. These services are often provided during a medical emergency but are not restricted to emergencies. The vehicles are equipped with lifesaving equipment operated by medically trained personnel. Includes public ambulance services or flying doctor services, such as Royal Flying Doctor Service and Care Flight. Also includes patient transport programs, such as patient transport vouchers or support programs to assist isolated patients with travel to obtain specialised health care. For 2003–04 onwards, this category includes patient transport expenses that are included in the operating costs of public hospitals.

Pharmaceutical Benefits Scheme (PBS): A national, government-funded scheme that subsidises the cost of a wide range of pharmaceutical drugs, and that covers all Australians to help them afford standard medications. The Pharmaceutical Benefits Schedule (schedule) lists all the medicinal products available under the PBS and explains the uses for which they can be subsidised.

primary health care: Primary health care expenditure includes recurrent expenditure on health goods and services such as medical services, dental services, other health practitioner services, pharmaceuticals and community and public health services. Primary health care services are delivered in numerous settings such as general practices, community health centres, allied health practices (for example, physiotherapy, dietetic and chiropractic practices, and tele-health) and under numerous funding arrangements.

Private Health Insurance Incentives Scheme (PHIIS): The PHIIS was introduced on 1 July 1997 to encourage more people to take out private health insurance. It provided a subsidy to low-income earners who did, and a tax penalty to high-income earners who did not. Middle-income earners were not the target of this policy and, as such, were neither eligible for the tax subsidy nor liable to incur a tax penalty, regardless of their private health insurance status. The scheme ended on 31 December 1998.

private hospital: A health care provider facility, other than a public hospital, that has been established under state or territory legislation as a hospital or freestanding day procedure unit and authorised to facilitate the provision of hospital services to patients. A private hospital is not defined by whether it is privately owned but by whether it is *not* a public hospital (as defined below). Private hospital expenditure includes expenditures incurred by a private hospital in providing contracted and/or ad hoc treatments for public patients.

private patient: A person admitted to a private hospital, or a person admitted to a public hospital who is treated by a doctor of their own choice and/or who has private ward accommodation. This means that the patient will be charged for medical services, food and accommodation.

public health activities: Nine types of activities undertaken or funded by the key jurisdictional health departments that deal with issues related to populations, rather than individuals. These activities comprise:

- communicable disease control
- selected health promotion
- organised immunisation
- environmental health
- food standards and hygiene
- breast cancer, cervical and bowel cancer screening
- prevention of hazardous and harmful drug use
- public health research.

These activities do not include treatment services.

public health services: Services provided and/or funded by governments that are aimed at protecting and promoting the health of the whole population or specified population subgroups and/or preventing illness or injury in the whole population or specified population subgroups.

Public health services do not include treatment services.

For 2001–02 onwards, public health services also include departmental costs for the following departmental regulators: Therapeutic Goods Administration, Office of Gene Technology Regulator and the National Industrial Chemicals Notification and Assessment Scheme.

public hospital: A health-care provider facility that has been established under state or territory legislation as a hospital or as a freestanding day procedure unit. Public hospitals are operated by, or on behalf of, the government of the state or territory in which they are established and are authorised under that state/territory's legislation to provide or facilitate the provision of hospital services to patients. Public hospitals are recognised under the National Health Care Agreements and include some hospitals, such as some denominational hospitals, that are privately owned. Defence force hospitals are not included in the scope of public hospitals.

public hospital services: The balance of public hospital expenditure remaining, after community health services, public health services, non-admitted dental services, patient

transport services and health research activities that are undertaken by public hospitals have been removed and reallocated to their own expenditure categories.

public patient: A patient admitted to a public hospital who is treated by doctors of the hospital's choice and accepts shared ward accommodation if necessary. This means that the patient is not charged.

real expenditure: Expenditure that has been adjusted to remove the effects of inflation (for example, expenditure for all years has been compiled using 2011–12 prices). Removing the effects of inflation enables comparisons to be made between expenditures in different years on an equal dollar-for-dollar basis. Changes in real expenditure measure the change in the volume of goods and services produced.

rebates of health insurance premiums: Introduced in January 1999, a non-means-tested rebate on private health insurance premiums replaced the PHIIS subsidy. There are 2 types of rebates of health insurance premiums.

The first rebate is where the 30–40% rebate is taken as a reduced premium payable by the individual with private health cover (with the health fund claiming payment from the Australian Government).

The second rebate is taken as an income tax rebate, where individuals with private health cover elect to claim the rebate through the tax system at the end of the financial year for the 30–40% rebate, having paid the health funds 100% of their premiums up front.

recurrent expenditure: Expenditure incurred by organisations on a recurring basis, for the provision of health goods and services, which does not result in the creation or acquisition of fixed assets (new or second-hand). It consists mainly of expenditure on wages, salaries and supplements, purchases of goods and services and consumption of fixed capital. This excludes capital expenditure. For all years, recurrent expenditure includes capital consumption (depreciation).

Repatriation Pharmaceutical Benefits Scheme (RPBS): Provides assistance to eligible veterans (with recognised war- or service-related disabilities) and their dependants for pharmaceuticals listed on the PBS and a supplementary repatriation list, at the same cost as patients entitled to the concessional payment under the PBS.

state and territory dental services: School dental programs, community dental services and hospital dental programs funded by state and territory health authorities.

therapeutic: relating to the treating or curing of a disease.

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Related publications

This report, *Health expenditure Australia 2011–12: analysis by sector*, is a companion to *Health expenditure Australia 2011–12*. Both reports can be downloaded free from the AIHW website < <http://www.aihw.gov.au/expenditure-publications/> >. The website also includes information on ordering printed copies.

The following AIHW publications relating to health expenditure might also be of interest:

AIHW 2013. Expenditure on health for Aboriginal and Torres Strait Islander people 2010–11. Health and welfare expenditure series no. 48. Cat. no. HWE 57. Canberra: AIHW.

AIHW 2013. Expenditure on health for Aboriginal and Torres Strait Islander people 2010–11: an analysis by remoteness and disease. Health and welfare expenditure series no. 49. Cat. no. HWE 58. Canberra: AIHW.

This report extends the analysis presented in *Health expenditure Australia 2011–12* to further explore expenditure on particular categories of health goods and services, including hospitals, primary health care, other recurrent health expenditure and capital expenditure. In 2011–12, a total of \$132.4 billion was spent on recurrent health expenditure where 40.4% (\$53.5 billion) was spent on hospitals, 38.2% (\$50.6 billion) was spent on primary health care and the remaining 21.3% (\$28.3 billion) was spent on other areas of health spending. Capital expenditure accounted for a further \$7.9 billion bringing the total expenditure on health goods and services in 2011–12 to \$140.2 billion.