



Australian Government

**Australian Institute of
Health and Welfare**

Health expenditure Australia 2013–14: analysis by sector

Health and Welfare expenditure series
Number 55



Australian Government

Australian Institute of
Health and Welfare

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

HEALTH AND WELFARE EXPENDITURE SERIES

Number 55

Health expenditure Australia 2013–14: analysis by sector

Australian Institute of Health and Welfare
Canberra

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The AIHW also wishes to thank its Health Expenditure Advisory Committee for their assistance in planning this report and provided advice on its content.

Abbreviations

ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory
AIHW	Australian Institute of Health and Welfare
DVA	Australian Government Department of Veterans' Affairs
GFS	Government Finance Statistics
HHF	Health and Hospitals Fund
IPD	implicit price deflator
MBS	Medicare Benefits Schedule
NSW	New South Wales
NT	Northern Territory
PBS	Pharmaceutical Benefits Scheme
Qld	Queensland
RPBS	Repatriation Pharmaceutical Benefits Scheme
SA	South Australia
Tas	Tasmania
Vic	Victoria
WA	Western Australia

Symbols

—	nil or rounded to zero
..	not applicable
n.a.	not available

Summary

This report is a companion to *Health expenditure Australia 2013–14*. It provides more detail regarding trends in health expenditure between 2003–04 and 2013–14 for recurrent expenditure and capital expenditure. Recurrent expenditure is categorised according to the whether the expenditure was on hospitals, primary health care, or other health goods and services. Of particular focus in this report are trends in the sources of funds for each category of health expenditure as well as variations between jurisdictions.

Total expenditure by source of funds

As noted in *Health expenditure Australia 2013–14*, over the decade from 2003–04 to 2013–14, recurrent expenditure increased for all types of health goods and services, as did capital expenditure, and expenditure for all sources of funds. Growth in expenditure by governments has been relatively slow, however, over the past 2 years. In 2013–14, estimated Australian Government funding per person on health averaged \$2,725, which was \$653 more in real terms than in 2003–04 but just \$30 more in real terms than in the previous year.

All state and territory governments except New South Wales reduced their per person expenditure in 2012–13. In 2013–14, Queensland, Western Australia, the Australian Capital Territory and the Northern Territory continued to decrease their per person expenditure.

Trends in recurrent expenditure

In 2013–14, \$58.8 billion was spent on *Hospitals* in Australia, \$54.7 billion on *Primary health care* and \$32.0 billion on *Other health goods and services*.

Hospitals made up around 40% of recurrent expenditure throughout the decade, *Primary health care* accounted for 38% and the remaining 22% was for *Other health goods and services*.

In 2012–13 and 2013–14, *Unreferred medical services* attracted the highest share of *Primary health care* funding at 19.1% and 19.3%, respectively. This was different to earlier in the decade, when benefit-paid pharmaceuticals attracted the most spending from 2008–09 to 2011–12. Related to this, growth in expenditure on benefit-paid pharmaceuticals slowed in the last 3 years compared with the rest of the decade. This slower growth in expenditure was in contrast to a steady increase in the number of prescriptions dispensed over the same period; this suggests that slower expenditure growth in this case did not necessarily mean fewer services.

Around 50% of *Other health goods and services* expenditure is through *Referred medical services*, with an expenditure of \$16.1 billion in 2013–14. The fastest growth in expenditure on *Referred medical services* over the decade was by private health insurers (6.1%), who also had the highest growth in 2013–14 (5.5%).

Trends in capital expenditure

In 2013–14, there was \$9.1 billion in *Capital expenditure* related to health.

There was a relatively rapid increase in *Capital expenditure* by the state and territory and local governments between 2009–10 and 2011–12, which was supported by the \$5.0 billion Health and Hospitals Fund established by the Australian Government in 2009. *Capital expenditure* by the non-government sector increased from \$2.8 billion in 2003–04 to \$4.3 billion in 2013–14.

1 Introduction

This report has been produced as a companion to *Health expenditure Australia 2013–14* (AIHW 2015). *Health expenditure Australia 2013–14* focused on a national overview of health expenditure trends, whereas this report explores expenditure on specific areas of health (health sectors). As in *Health expenditure Australia 2013–14*, there are two types of expenditure considered in this report: recurrent and capital. Recurrent expenditure is further divided into the following health sectors: *Hospitals*, *Primary health care* and expenditure on *Other health goods and services* (also referred to as *Other recurrent health expenditure* in some parts of this report).

The main distinction between capital and recurrent expenditure is that capital refers to expenditure on fixed assets (for example, new buildings and equipment with a useful life that extends beyond 1 year). This is what the Australian Bureau of Statistics (ABS) defines as ‘gross fixed capital formation’ and does not include changes in inventories.

Recurrent expenditure does not include this form of expenditure and relates to goods or services that are ‘consumed’ within a short time frame – for example, a medication or the services of a general practitioner.

Capital expenditure creates the infrastructure, such as buildings and equipment, required for the provision of goods and services. It is generally not possible to apportion this expenditure accurately to the various areas of health goods and services provision for which recurrent expenditure is reported.

Box 1.1 provides more detail on the categories of health goods and services provision used in this report.

Box 1.1: Broad areas of recurrent health expenditure

Hospitals

Hospitals expenditure includes recurrent spending (see Glossary) 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. These dental services, community health and public activities are categorised as *Primary health care* expenditure while patient transport and health research are categorised as *Other health goods and services*. *Hospitals* expenditure however, can include expenditure on services provided off-site, such as hospital-in-the-home or dialysis.

Primary health care

Primary health care expenditure includes recurrent expenditure on health goods and services, such as medical services (unreferred, largely general practitioner 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, and allied health practices (for example, physiotherapy, dietetic and chiropractic practices) and under numerous funding arrangements.

(continued)

Box 1.1 (continued): Broad areas of recurrent health expenditure

Other health goods and services

Recurrent health expenditure includes expenditure on *Other health goods and services*, such as referred medical specialist services (those medical services that have not been classified as primary health care), health research, administration, patient transport services and medical aids and appliances. In some parts of this report, this expenditure is referred to as *Other recurrent* health expenditure.

See Appendix B for more information on the allocation of medical services expenditure to the *Primary health care* and *Other recurrent* areas of health expenditure.

This report also analyses trends in who paid (the source of funds) for expenditure in these areas over the last decade (from 2003–04 to 2013–14). The sources of funds include the Australian Government, state and territory and local governments, and non-government sources (Box 1.2).

Box 1.2: Government and non-government funding of health care

The **government sector** includes the Australian Government, 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 private health insurance premium rebate.

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, payments by injury compensation insurers and other non-government sources of income.

The main data source for this report is the Australian Institute of Health and Welfare's (AIHW) 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 Australian Bureau of Statistics (ABS)
- State and territory governments—through the Government Health Expenditure National Minimum Data Set, collated by the AIHW
- the Private Health Insurance Administration Council.

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 2013–14, the constant price estimates indicate what expenditure would have been had 2013–14 prices applied in all years.

More information on the data sources used and the methods for developing the AIHW's health expenditure database can be found in *Health expenditure Australia 2013–14* 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/602679>>.

1.1 Structure of this report

Chapter 2 presents an overview of current trends in total (recurrent and capital) health spending. Where *Health expenditure Australia 2013–14* focused on national trends in total expenditure (recurrent and capital combined), this chapter compares the trends for each category of health spending.

Chapter 3 focuses specifically on *Hospitals* expenditure by source of funds for each state and territory.

Chapters 4 and 5 present similar analyses for *Primary health care* and *Other health goods and services*, respectively.

Chapter 6 presents an analysis of trends in *Capital expenditure*.

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

Appendix B presents the technical notes for this report.

1.2 Changes to Australian Institute of Health and Welfare estimates

Previously published estimates of health expenditure have been revised. Comparisons over time should therefore be based on the estimates in this publication, or from the online data cubes on the AIHW website <<http://www.aihw.gov.au/expenditure-data/>>, rather than earlier editions of this report. The estimates in this report may also differ in some places from those published in *Health expenditure Australia 2013–14* due to difficulties in apportioning some areas of expenditure to specific health sectors (such as the medical expenses tax rebate).

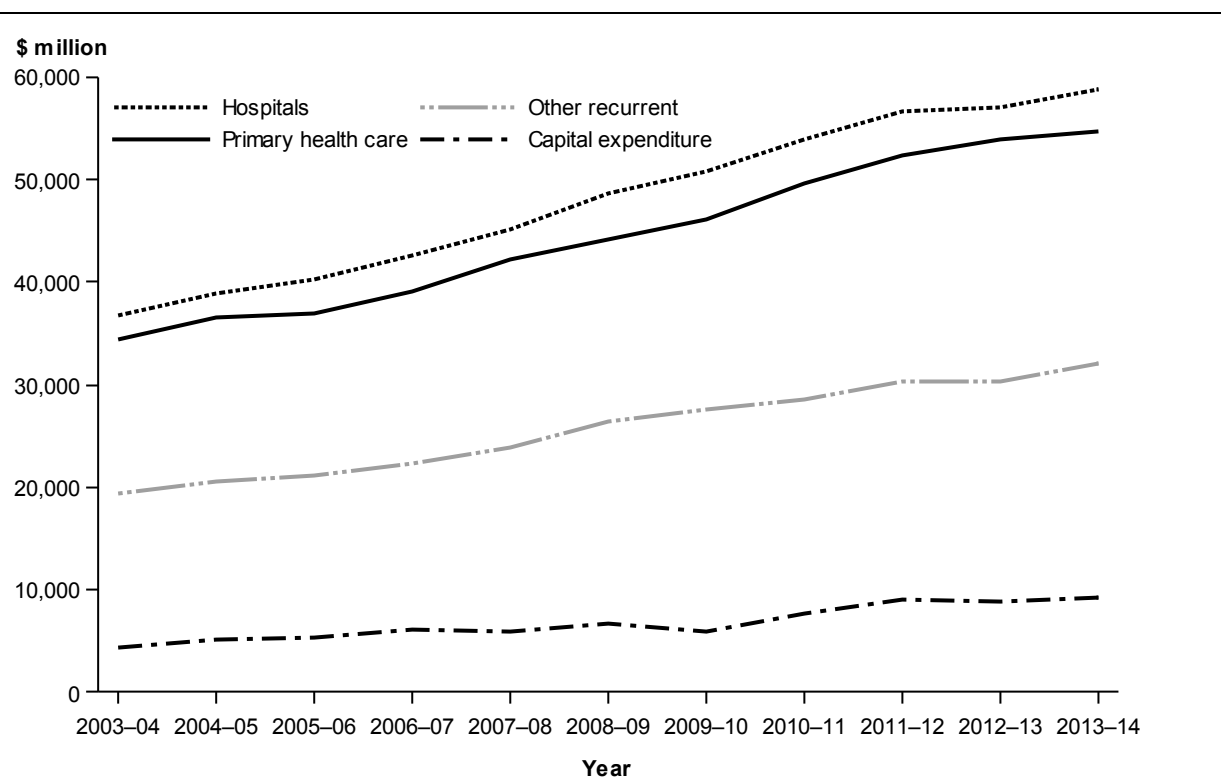
2 Trends in health expenditure

Where *Health expenditure Australia 2013–14* largely focused on national trends in total expenditure (recurrent and capital combined), this chapter compares the trends for each category of health spending (recurrent and capital) across a number of dimensions. Firstly, the broad trends are examined without consideration to source of funds. The funding sources are then considered. Finally, variation between jurisdictions is analysed.

As noted in Chapter 1, recurrent expenditure is presented separately for *Hospitals*, *Primary health care* and *Other health goods and services*. This is because recurrent expenditure is available for these sectors. In contrast, *Capital expenditure* is presented for the health sector in total.

2.1 Broad trends in health expenditure

Over the decade from 2003–04 to 2013–14, expenditure increased for all types of health goods and services and for capital expenditure related to health. Over the past 2 years, however, growth has been relatively slow for *Hospitals* and *Primary health care* expenditure in particular (Figure 2.1 and Table A1).



Source: Table A1.

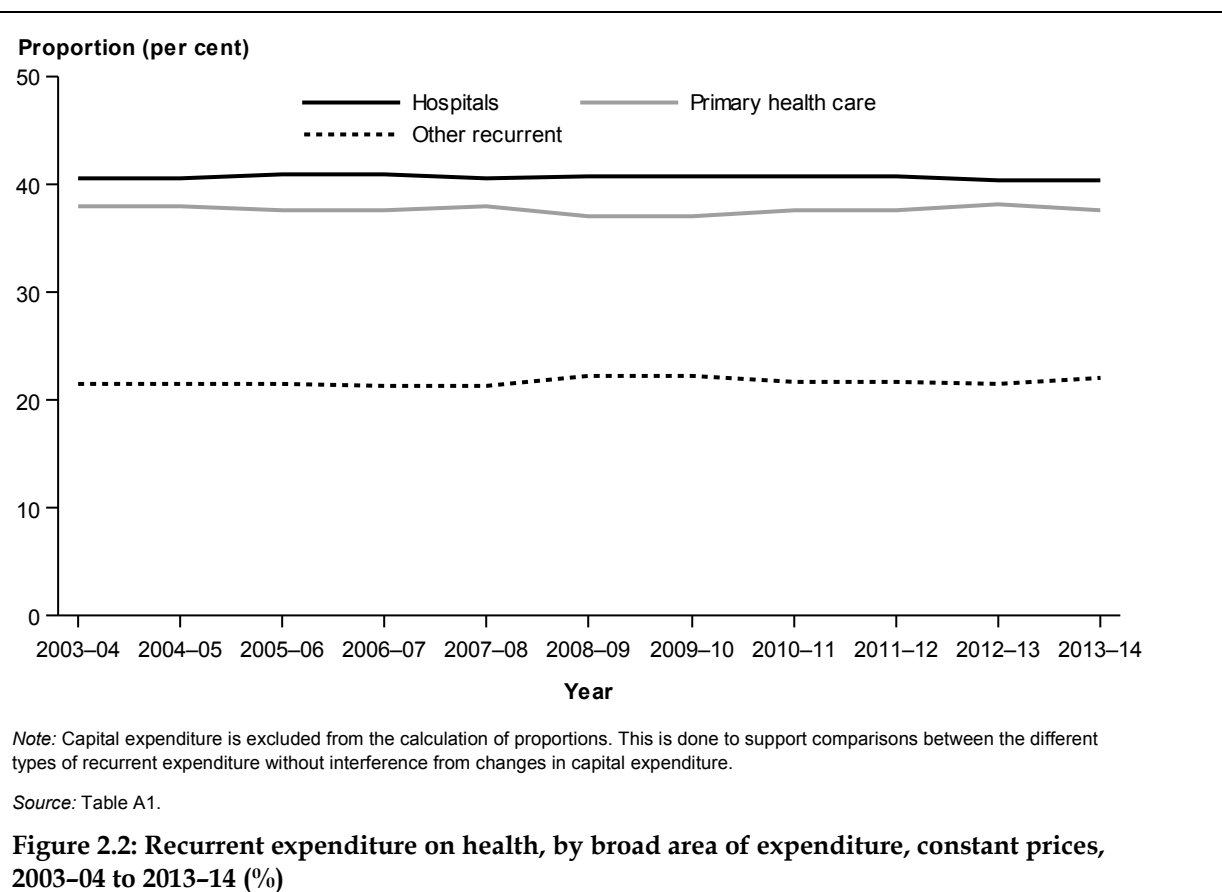
Figure 2.1: Expenditure (recurrent and capital) on health, by broad area of expenditure, constant prices, 2003–04 to 2013–14 (\$ million)

The share of recurrent expenditure accounted for by *Hospitals* remained relatively constant over the decade, with the share beginning at 40.5% in 2003–04 and ending at 40.3% in 2013–14 (Figure 2.2 and Table A1).

During the decade, the share of recurrent expenditure attributed to *Primary health care* varied a little more but with no clear trend, ranging from 37.0% to 38.1%.

The share of recurrent health expenditure spent on *Other health goods and services* was steady throughout the decade at around 22%.

Capital expenditure at the beginning of the reporting period represented 4.6% of total expenditure. It was at its highest proportion, at 6.1%, in 2011–12 and dropped to 5.9% in 2013–14 (Table A1).



2.2 Health expenditure by source of funds

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 1.2 defines government and non-government funding for the Australian health-care system.

Australian Government funding

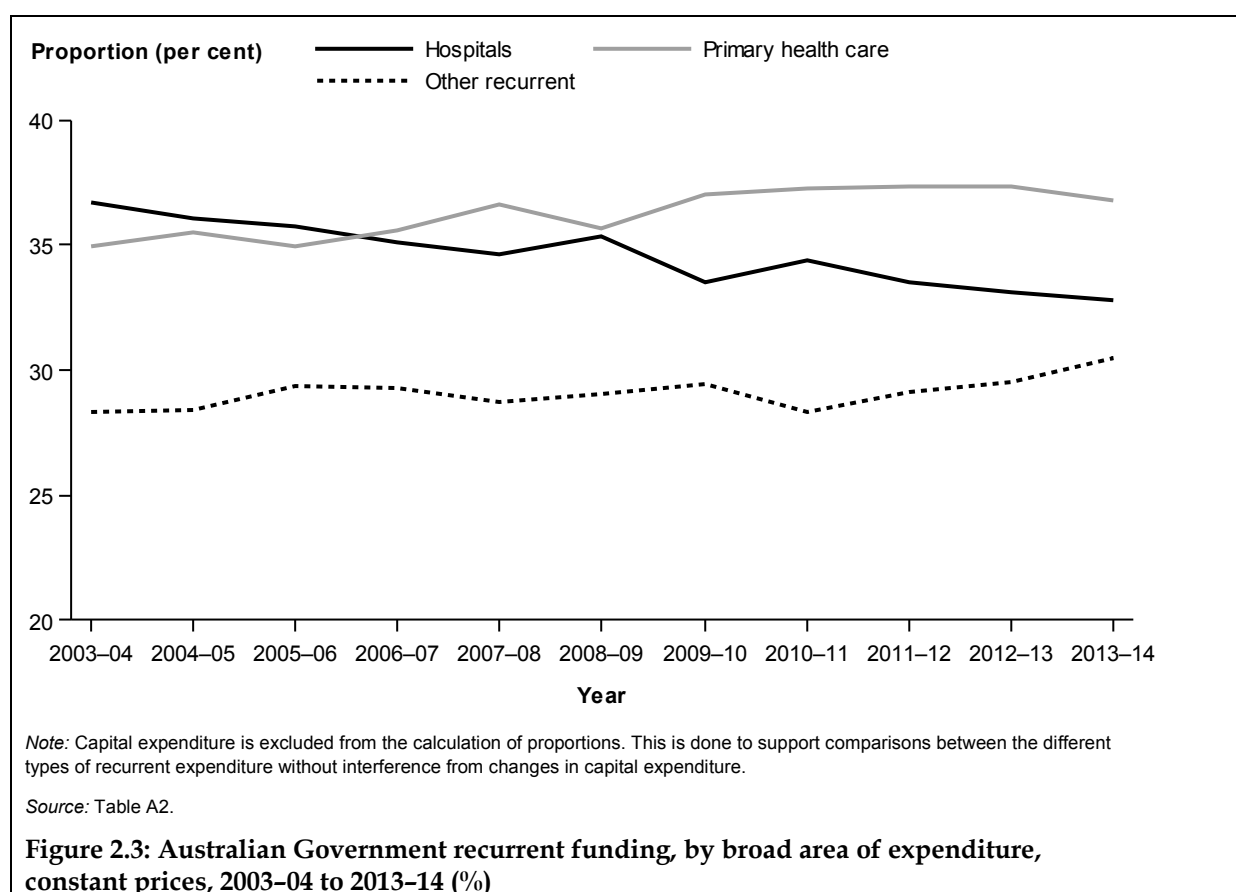
The proportion of the Australian Government's recurrent health spending dedicated to *Hospitals* declined over the decade from 36.7% in 2003–04 to 32.7% in 2013–14 (Figure 2.3 and Table A2).

The proportion dedicated to *Primary health care* decreased from 37.3% in 2012–13 to 36.7% in 2013–14 after remaining relatively stable over the previous 4 years.

Between 2003–04 and 2013–14, the Australian Government spending on *Other health goods and services* increased from \$11.6 billion to \$19.3 billion. During this time, the share of

funding varied between 28.2% and 30.4%. A large increase to \$18.4 billion was seen in 2011–12 (up from \$16.9 billion in 2010–11). This was followed by a further rise in 2013–14 to \$19.3 billion with the share of funds increasing to 30.4% – the highest over the decade. The share in 2013–14 was around 2.3 percentage points lower than the hospitals share, compared with a difference of 8.4 percentage points at the start of the decade (Figure 2.3 and Table A2).

Capital expenditure by the Australian Government is generally modest. It has fluctuated over the years, and fell in the last 3 years, from \$218 million in 2011–12 to \$72 million in 2012–13 to \$49 million in 2013–14 (Table A2).

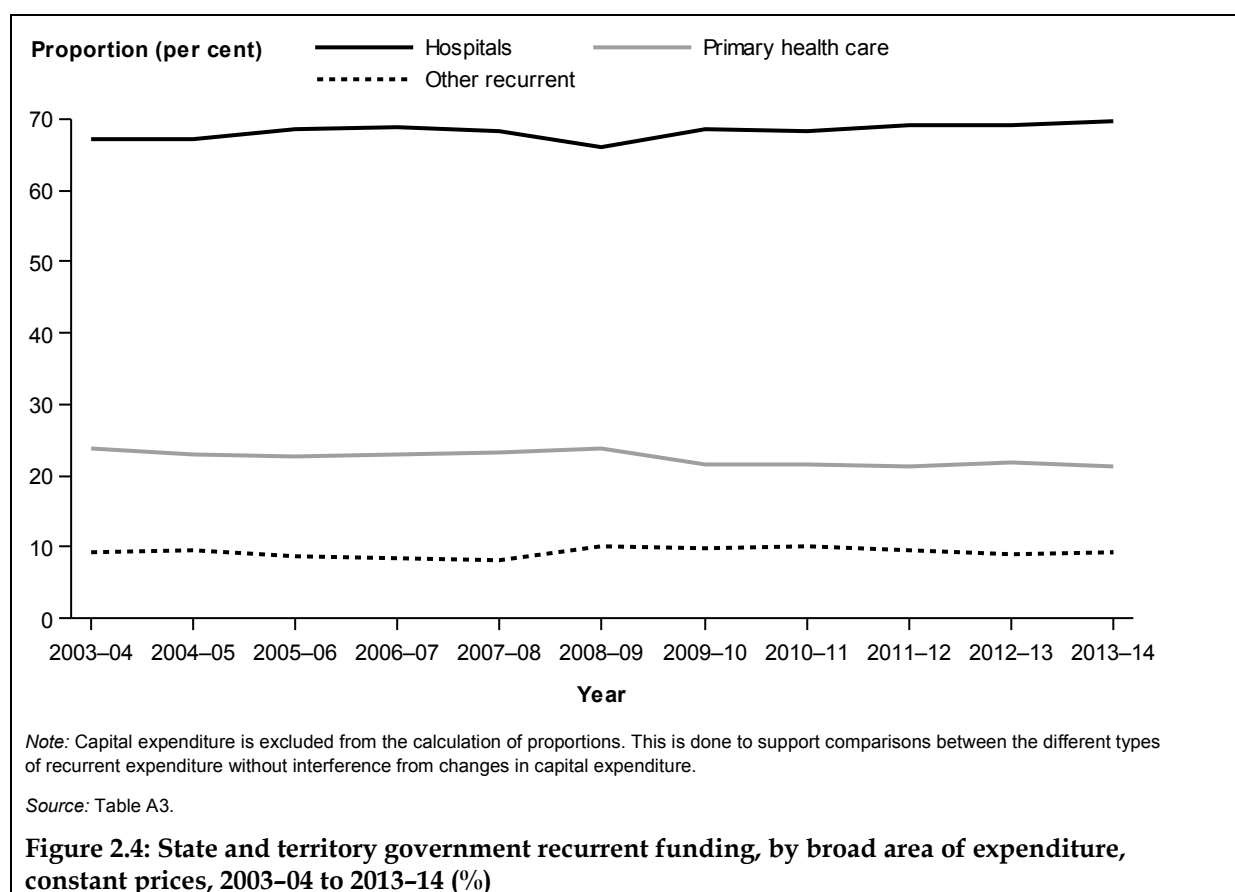


State and territory government funding

The state and territory governments generally increased their share of recurrent expenditure allocated to hospitals over the period 2003–04 to 2013–14, while reducing their share spent on primary health care. The *Hospitals* share of recurrent spending increased from 67.0% to 69.5%, while the *Primary health care* share fell from 23.8% to 21.1% over this period (Figure 2.4 and Table A3).

The share allocated to *Other health goods and services* stayed at around 9% throughout the decade (Figure 2.4 and Table A3).

The share of total health expenditure spent on *Capital* varied between 6% and 12.9% throughout the decade, ending at 11.6% in 2013–14 (Table A3).



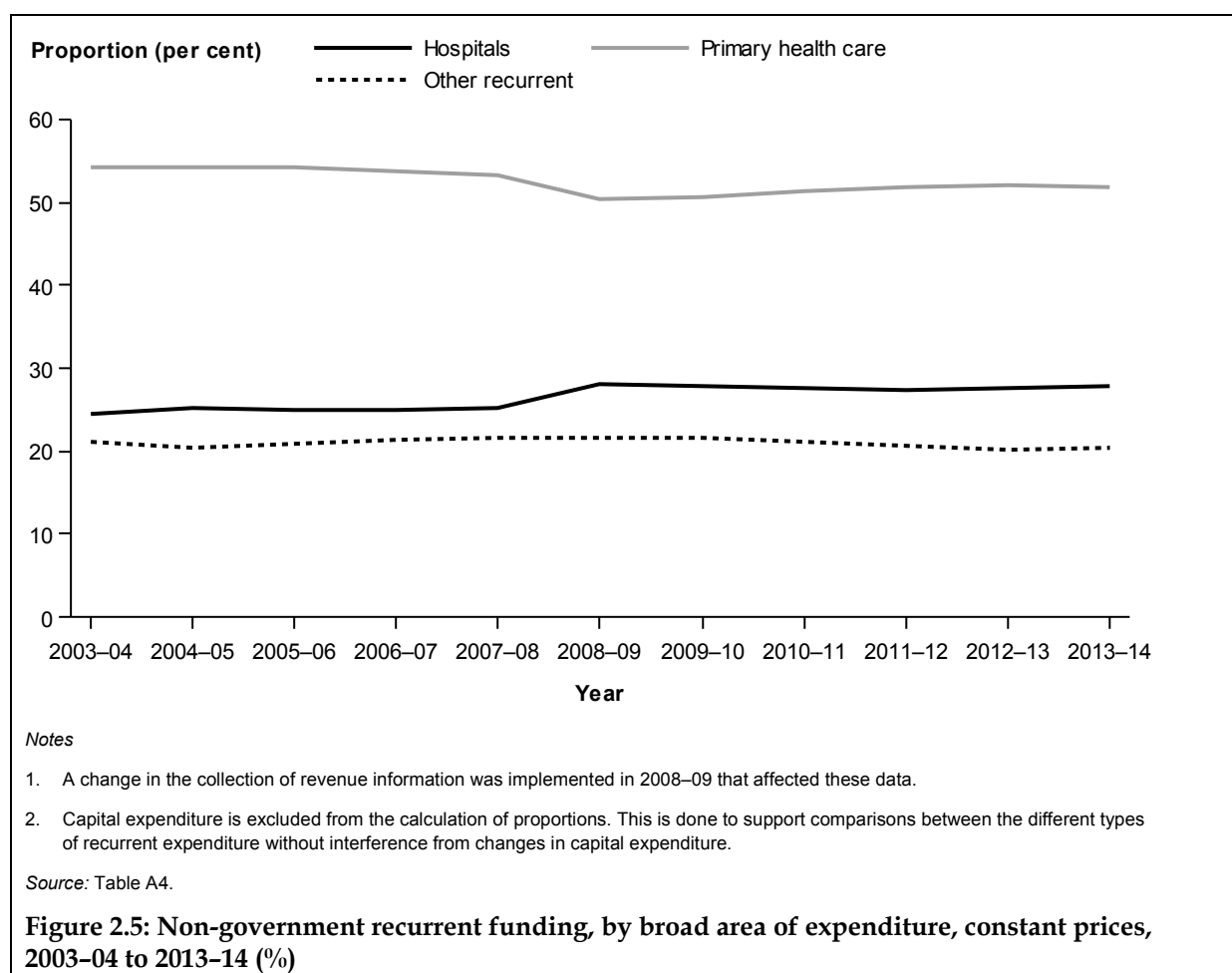
Non-government funding

The share of non-government spending attributed to *Primary health care* began the decade at 54.2% in 2003-04, dropped to a low of 50.3% in 2008-09. It then grew to 51.8% in 2013-14 (Figure 2.5 and Table A4).

The share of non-government spending attributed to *Hospitals* over the decade is affected by a change in the reporting system in 2008-09 that improved how data on non-government sources of revenue is collected, particularly for fees charged in public hospitals. This share began the period at 24.5% in 2003-04 and remained at around 25% until 2008-09, when the reporting system change came into place. It ended the period at 27.7% in 2013-14 (Figure 2.5 and Table A4).

After declining each year for 3 years prior to 2012-13, the share of non-government funding attributed to *Other health goods and services* rose by 0.3 of a percentage point to 20.4% in 2013-14 (Figure 2.5 and Table A4).

In 2013-14, 8.6% of total non-government spending was attributed to *Capital expenditure*. This share was an increase of 1.3 percentage points on the previous year but remained below the proportion at the start of the decade (9.4% in 2003-04) (Table A4).



2.3 Comparisons across jurisdictions

Health expenditure is influenced by the demographic characteristics of particular populations as well as policies and funding systems in place within those areas. This can result in different expenditure patterns in different areas across Australia. Accordingly, we have examined trends in total health spending (recurrent and capital) per person by source of funds in each jurisdiction (state or territory) over the past decade. This differs to the analysis presented in *Health expenditure Australia 2013-14*, which focused on national level per person expenditure data.

Australian Government funding

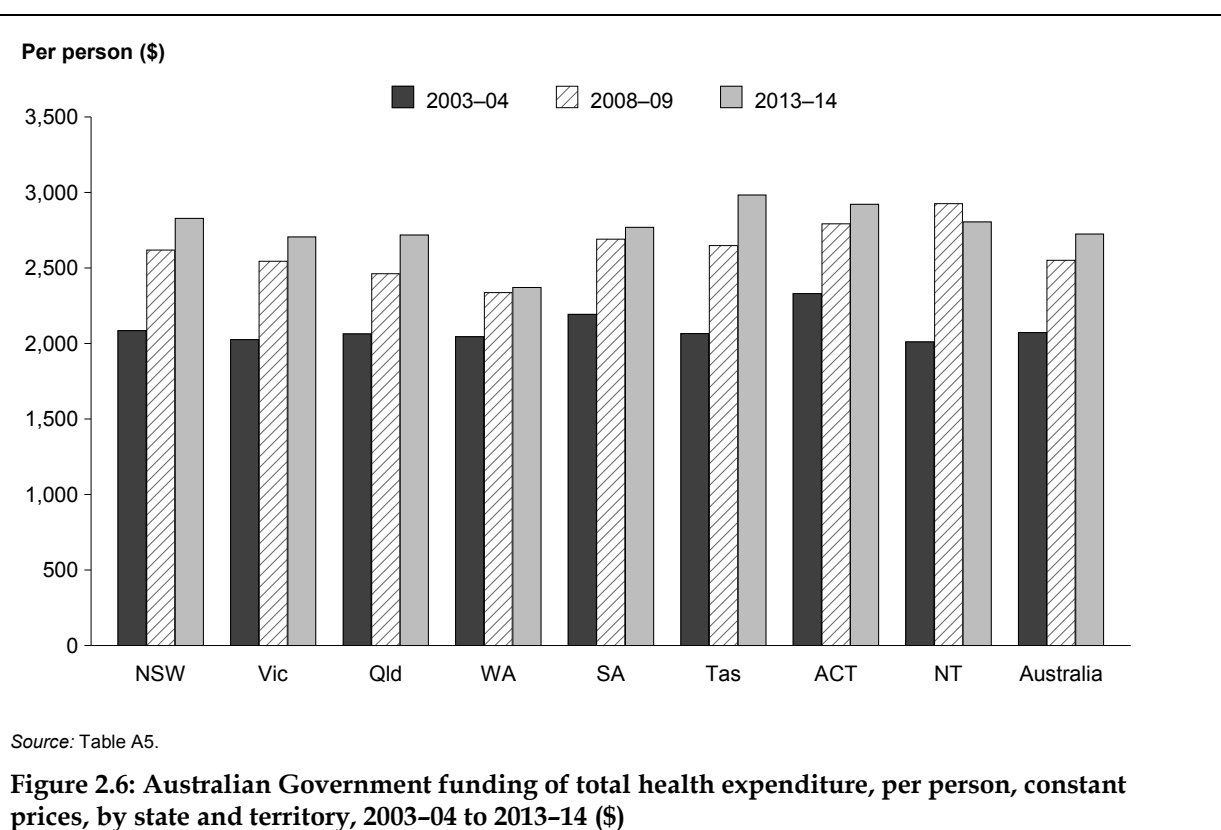
Australian Government funding per person varies across jurisdictions for a number of reasons, including government policy, and socioeconomic and demographic profiles, as well as variable accessibility to health services due to remoteness (AIHW 2015).

Australian Government funding has risen in all states and territories over the past decade. In 2013-14, estimated Australian Government funding per person on health averaged \$2,725, which was \$653 more in real terms than in 2003-04 but just \$30 more in real terms than in the previous year (Figure 2.6 and Table A5).

In 2013–14, Tasmania had the highest share of Australian Government funding per person (\$2,982), followed by the Australian Capital Territory (\$2,920) and New South Wales (\$2,827) (Table A5).

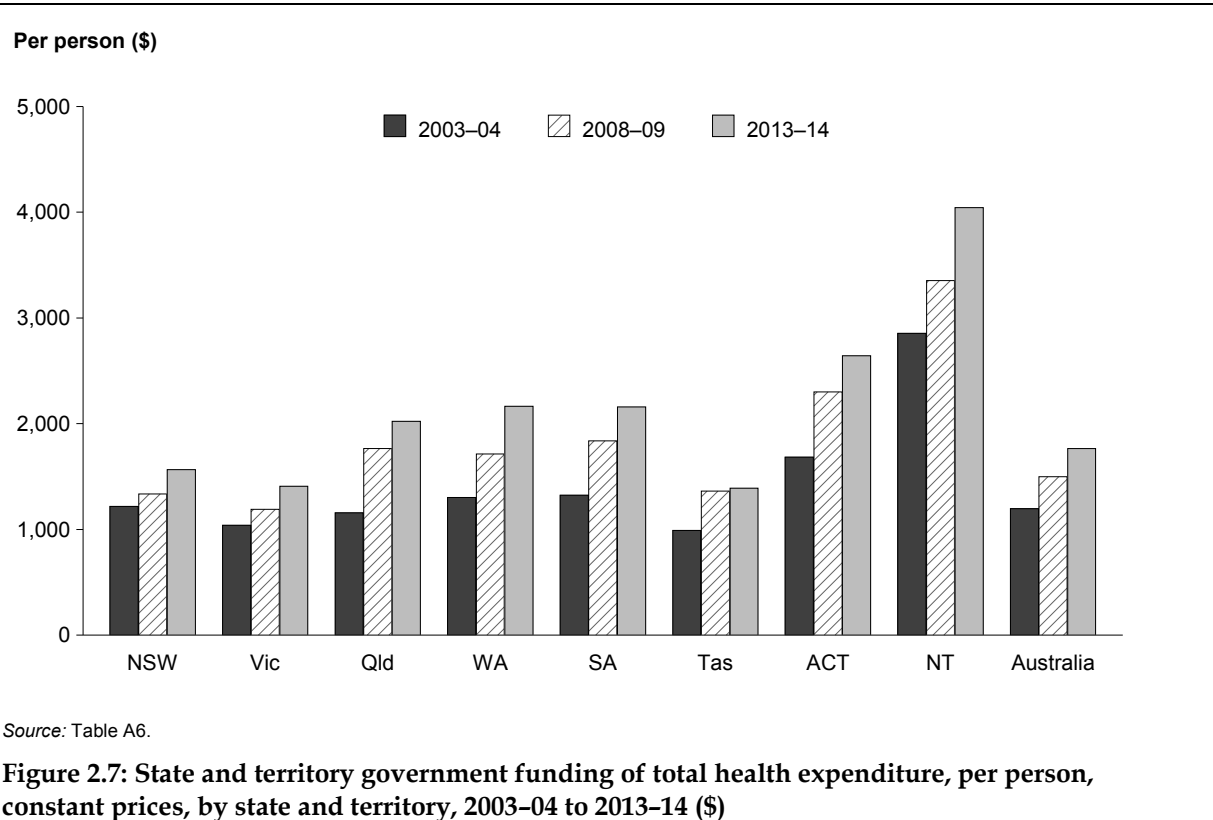
An increase in Australian Government per person funding was seen in all states and territories between 2008–09 and 2013–14 except the Northern Territory (\$121 decrease). The largest increases were in Tasmania (\$334) and Queensland (\$256) over the same 5 years (Table A5).

Over the past decade, Australian Government funding growth was highest in Tasmania, at an annual average rate of 3.7%. The Northern Territory had the second highest growth over the same period (3.4% on average per year), despite the decrease between 2008–09 and 2013–14.



State and territory government funding

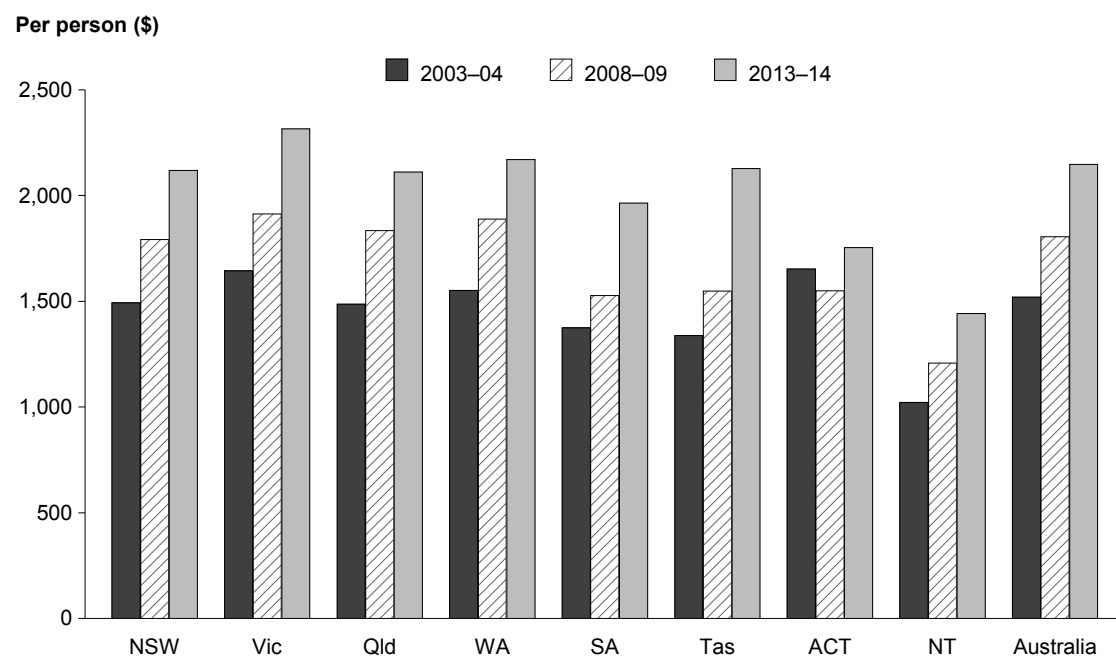
All state and territory governments increased their total per person expenditure over the decade, with Queensland having the largest growth (5.8% on average per year). Over the last 2 years (2012–13 and 2013–14), however, this growth has slowed. All states and territories except New South Wales reduced their per person expenditure in 2012–13. In 2013–14, Queensland, Western Australia, the Australian Capital Territory and the Northern Territory continued to decrease their per person expenditure (Figure 2.7 and Table A6).



Non-government funding

Non-government funding of total health expenditure per person in 2013-14 was \$2,147 nationally, which was \$628 more than in 2003-04 (Figure 2.8 and Table A7).

Per person non-government expenditure grew in only 4 of the 8 states and territories between 2012-13 and 2013-14 – Queensland (grew by \$195 per person), South Australia (\$142), Western Australia (\$138) and Victoria (\$17). Per person non-government expenditure decreased in the remaining states and territories, with the largest decrease being in Tasmania (\$107) (Table A7).



Source: Table A7.

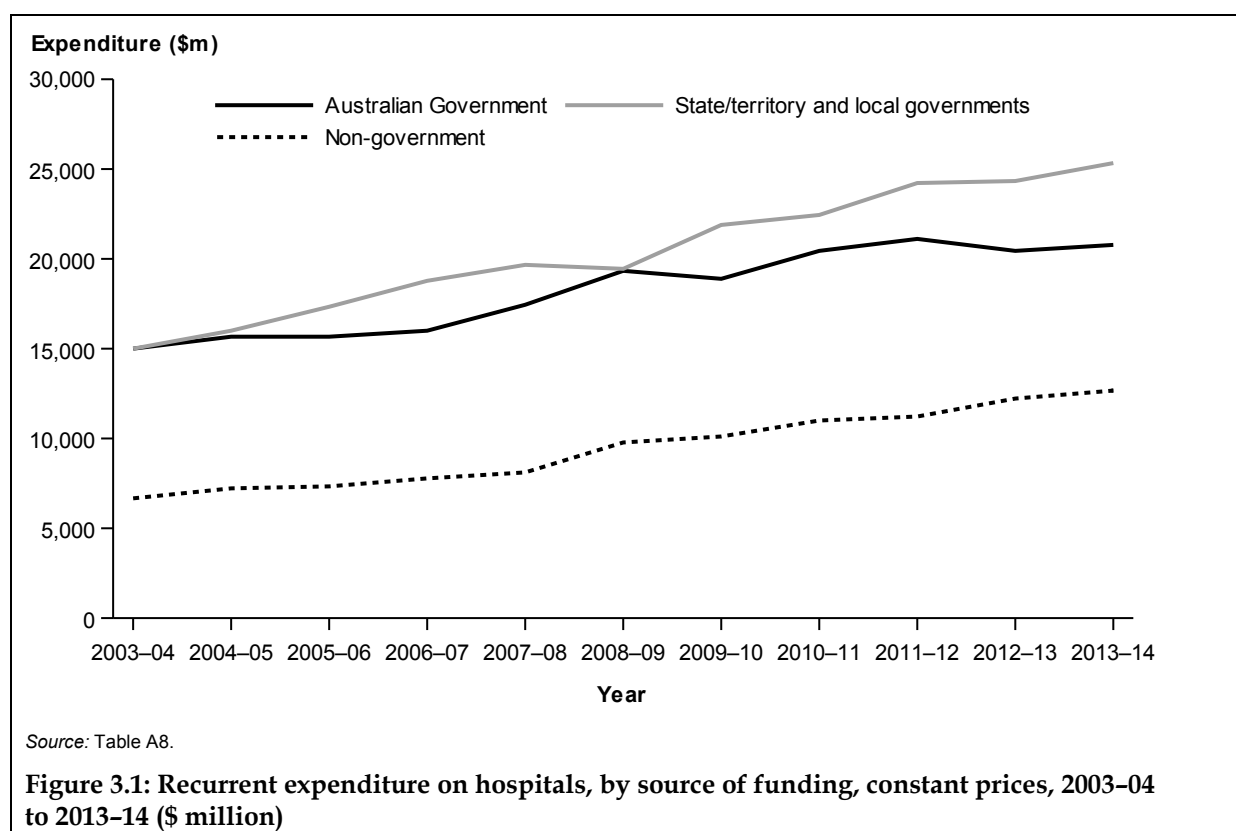
Figure 2.8: Non-government funding of total health expenditure, per person, constant prices, by state and territory, 2003-04 to 2013-14 (\$)

3 Hospitals

This chapter examines recurrent expenditure on *Hospitals*, which includes recurrent expenditure on public and private hospitals by all sources of funds (Box 1.1). In this context, public hospitals include public psychiatric hospitals and public acute care and other hospitals. A broad overview of the trends in expenditure by each source of funds is provided first. Then the trend for each funding source is examined in more detail, including in relation to funding of public and private hospitals.

3.1 Hospitals expenditure by source of funds

All funders increased their expenditure on hospitals between 2003–04 and 2013–14 (Figure 3.1). Growth over the decade in state and territory and local government funding was \$10.3 billion in real terms, which equates to a 69.0% increase. This was almost double (1.80 times) the corresponding increase in Australian Government funding of hospitals (\$5.7 billion equating to a 38.0% increase) and 1.73 times the corresponding increase in non-government expenditure on hospitals (\$6.0 billion equating to an 89.3% increase) (Table A8).

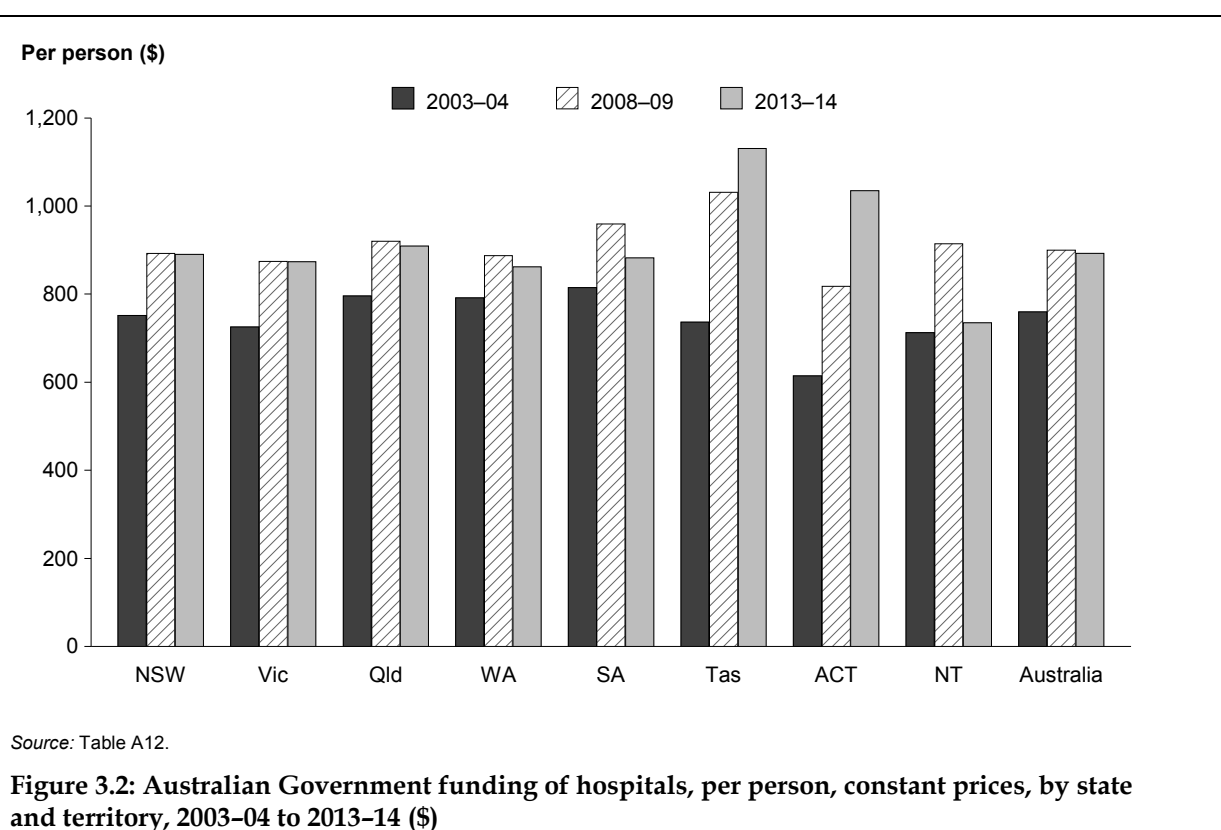


3.2 Australian Government funding

Australian Government funding for *Hospitals* in 2013–14 was \$892 per person Australia-wide, which was \$132 higher than in 2003–04 but just \$1 per person higher than in 2012–13 (Figure 3.2 and Table A12).

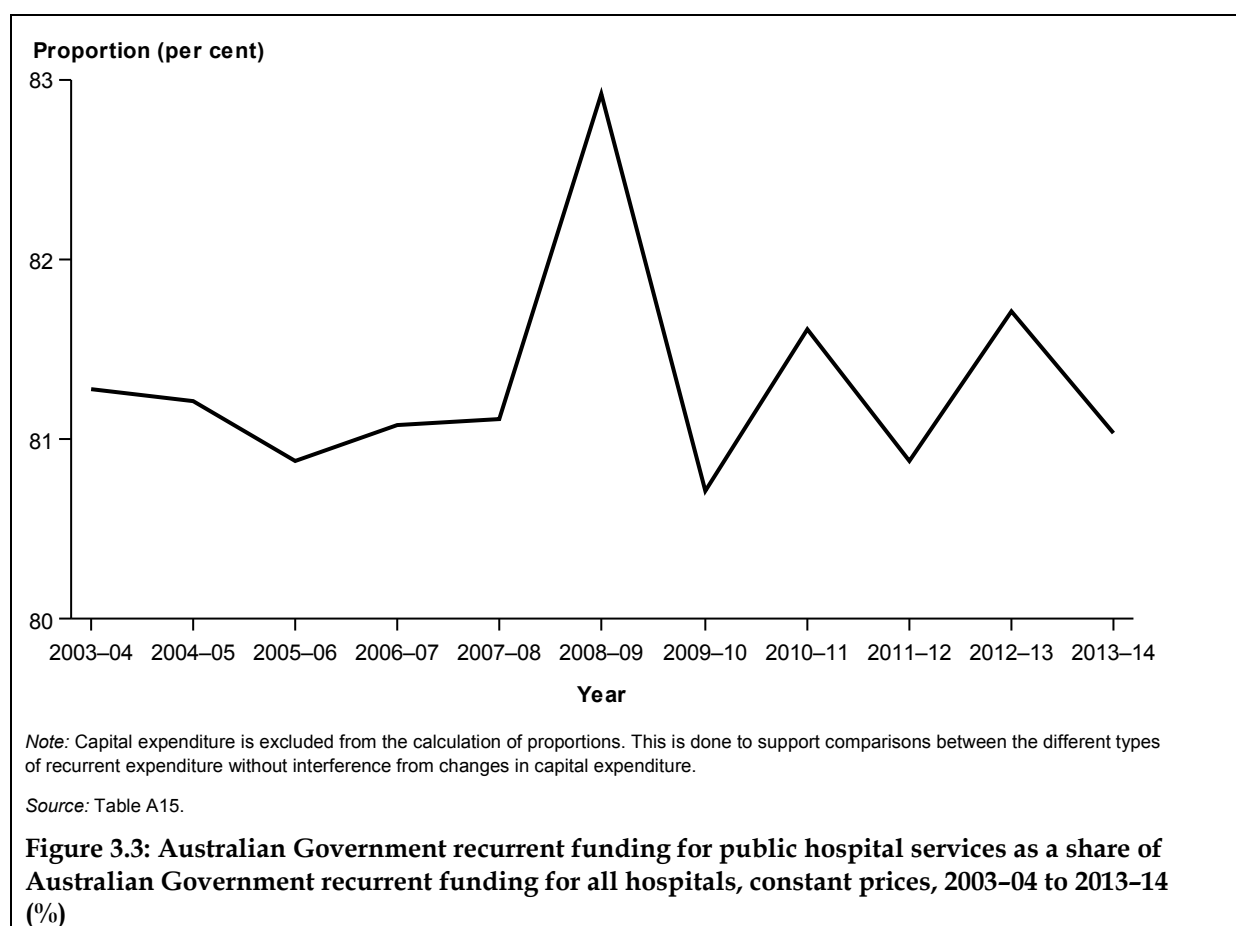
The Australian Capital Territory had the largest growth in Australian Government funding for *Hospitals* per person over the decade 2003–04 to 2013–14 at 5.3%, on average, per year. It was also the jurisdiction that experienced the greatest increase in Australian Government funding between 2012–13 and 2013–14 (\$284).

In 2013–14, Tasmania received the greatest amount of Australian Government funding per person for hospitals at \$1,130 while the Northern Territory received the least at \$735 (Figure 3.2 and Table A12).



The Australian Government provided \$15.1 billion in funding for *Hospitals* in 2003–04, which comprised \$12.2 billion (81.2%) for public hospital services and \$2.8 billion (18.7%) for private hospitals (Table A15). The share of Australian Government funding for public hospital services varied between 81% and 83% across the decade, with no clear pattern. The peak in 2008–09 (82.9%) was related to grants provided to the states and territories as part of the Australian Government's response to the Global Financial Crisis (Figure 3.3 and Table A15).

Tables A13 and A14 show the Australian Government's funding of public and private hospitals per person over the decade 2003–04 to 2013–14, respectively.



3.3 State and territory government funding

In 2013-14, average per person state and territory government funding for public and private hospitals combined was \$1,086, a \$331 increase in real terms from 2003-04 and a \$23 increase from 2012-13 (Figure 3.4 and Table A16).

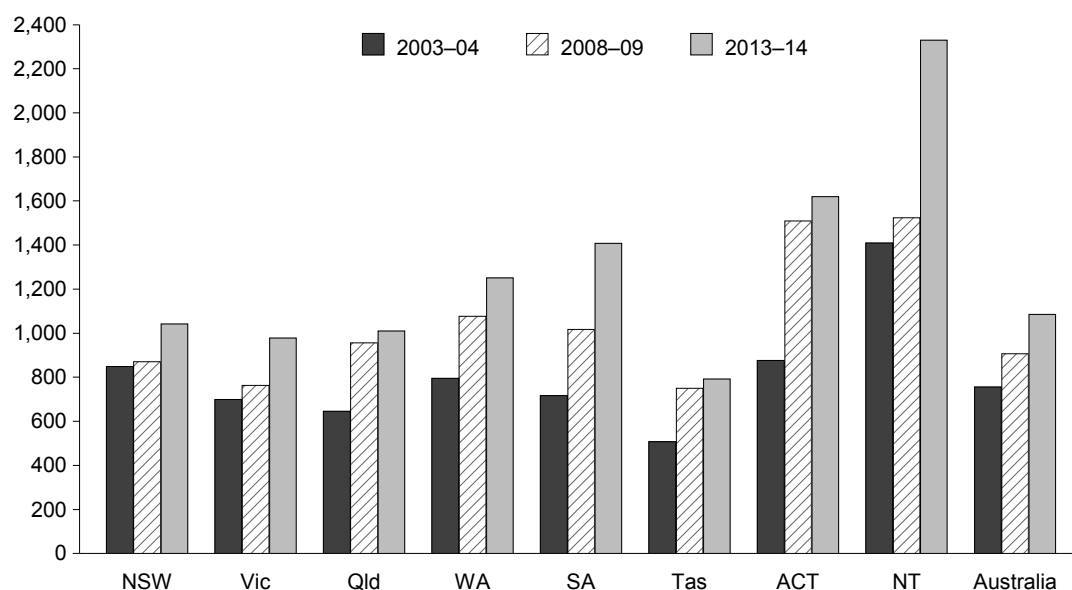
The Northern Territory and Australian Capital Territory governments spent relatively higher amounts of money on hospitals per person throughout the decade compared to other state governments. In 2013-14, the Northern Territory had the highest per person state and territory expenditure on *Hospitals* at \$2,330, which was \$1,244 higher than the national average. The Australian Capital Territory was the second highest at \$1,620 per person, which was \$213 more than the next highest, South Australia (\$1,407).

South Australia had the largest growth in *Hospitals* expenditure between 2003-04 and 2013-14. Expenditure nearly doubled from \$716 per person in 2003-04 to \$1,407 in 2013-14.

Queensland, Western Australia, Tasmania and the Australian Capital Territory were the only jurisdictions to decrease their per person expenditure on hospitals between 2012-13 and 2013-14. The Australian Capital Territory had the largest decline in state and territory funding in 2013-14 (\$156), while the Northern Territory had the largest increase (\$143) (Table A16).

Table A17 shows state and territory government funding of public hospital services per person over the decade 2003-04 to 2013-14.

Per person (\$)



Source: Table A16.

Figure 3.4: State and territory government funding of hospitals, per person, constant prices, by state and territory, 2003-04 to 2013-14 (\$)

In 2013-14, state and territory governments funded \$24.8 billion for public hospital services, which represented 97.9% of all state and territory government funding for hospitals (Table A18). This proportion did not change significantly over the decade from 2003-04. The remaining 2.1% went to funding private hospitals.

Within 7 of the 8 states and territories, funding for public hospital services was close to 100% of hospital funding in 2013-14, similar to the proportion for each of the previous 10 years (Table A18). Western Australia was the exception, having the lowest share of state government funding for hospital services going to public hospitals each year between 2003-04 and 2013-14. In 2013-14, the share going to public hospitals in Western Australia was 85.4% (Table A18), with the remaining 14.6% funding private hospitals.

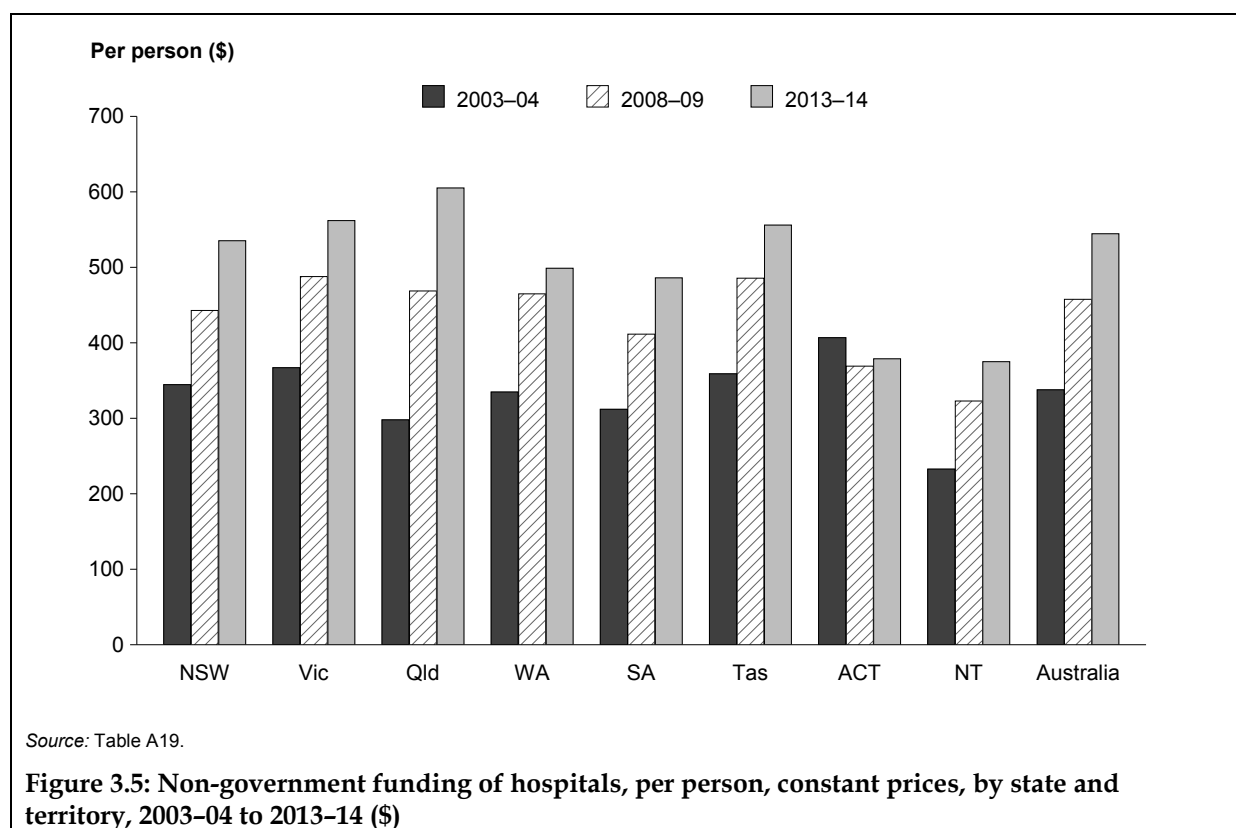
3.4 Non-government funding

In 2013-14, total non-government health expenditure on *Hospitals* was \$12.7 billion (Table A4) or \$544 per person. The latter amount was \$206 per person more in real terms than in 2003-04 (Figure 3.5 and Table A19).

The Australian Capital Territory was the only jurisdiction to experience negative growth (-0.7% on average per year) over the decade, with a decrease of \$28 per person between 2003-04 (\$407 per person) and 2013-14 (\$379 per person). Other states and territories with relatively low growth over the same period included Western Australia and Victoria (\$163 and \$195 increase, respectively).

Queensland had the largest average annual growth at 7.3%, increasing by \$307 per person over the decade. The Northern Territory had the second highest 10-year annual growth rate of 4.9%. This was followed by New South Wales, South Australia and Tasmania, all at 4.5%.

The Australian Capital Territory was the only jurisdiction where there was a decline in non-government funding for *Hospitals* between 2012–13 and 2013–14 (\$68 per person). Tasmania and the Northern Territory had the largest increases between those two years (\$47 and \$32, respectively).



In 2013–14, non-government funding of public hospital services totalled \$4.1 billion. Over the past decade, non-government funding for public hospital services as a share of non-government funding for all hospitals, grew from 26.0% in 2003–04 to 32.2% in 2013–14 (Figure 3.6 and Table A21).

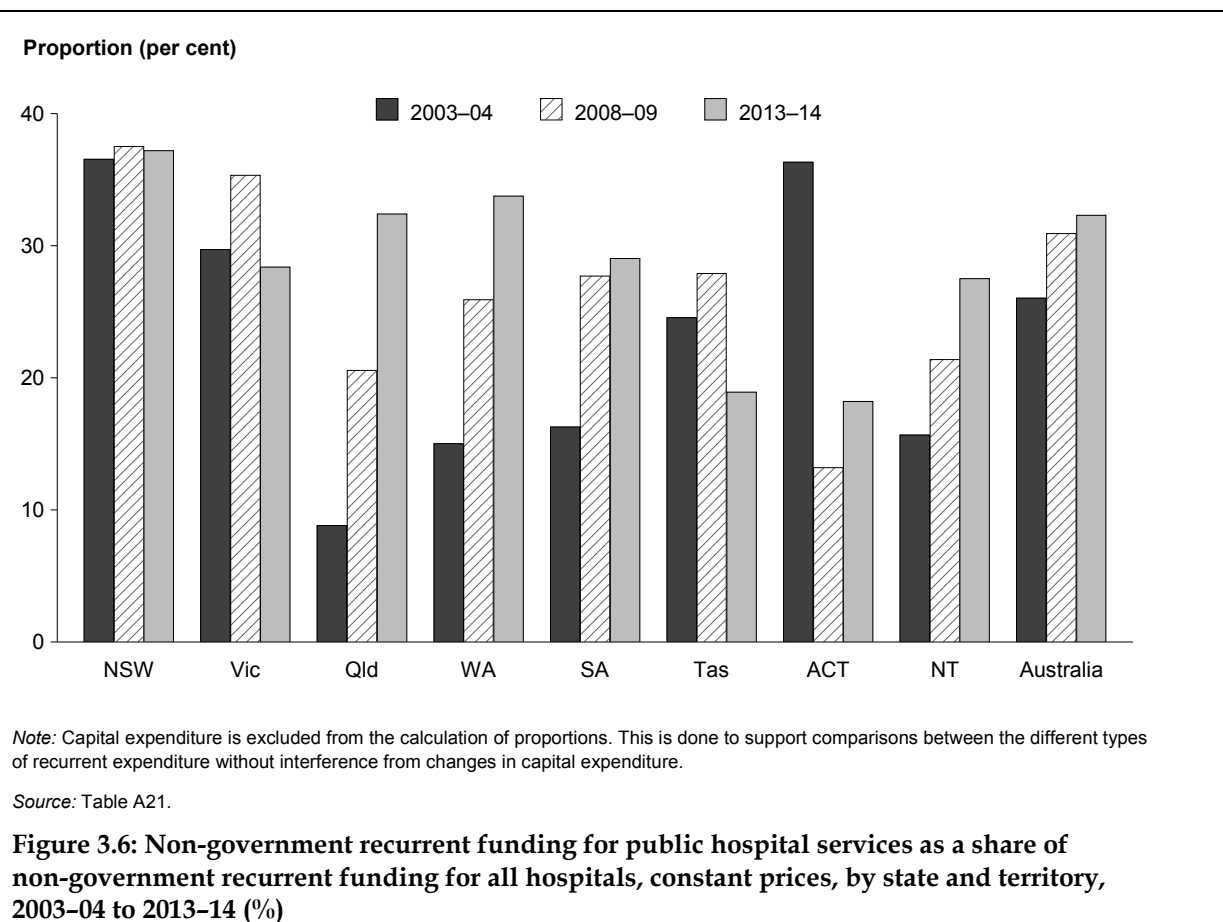
The share of non-government spending attributed to *Public hospital services* over the decade to 2013–14 has been affected by improvements in 2008–09 to relevant data collection and reporting systems. The changes resulted in more non-government expenditure being correctly attributed to public hospital services than before. This effect was more pronounced in some jurisdictions than others depending on their particular circumstances.

There were marked variations among the states and territories over the decade in the share of non-government funding for public hospital services as a proportion of non-government funding for all hospital services. Queensland had the lowest share of all states and territories in 2003–04, with just 8.8% of non-government funding for all hospitals going to public hospital services. In 2013–14, this share had more than tripled to 32.3%, to be the third highest behind New South Wales (37.1%) and Western Australia (33.7%) (Figure 3.6 and Table A21).

In contrast, the share of non-government funding for public hospital services in the Australian Capital Territory decreased over the decade; it began the period at 36.3% of all hospitals funding in 2003–04, and dropped to 18.1% in 2013–14, although this was

particularly affected by the changes in data collection and reporting in 2008–09 (Figure 3.6 and Table A21).

Table A20 shows non-government funding of public hospital services per person by jurisdiction over the decade 2003–04 to 2013–14. Tables A22 and A23 show public and private hospitals funding by private health insurers, and by individuals, respectively, over the same period.



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, and dietetic and chiropractic practices) and under numerous funding arrangements. (See Appendix B for a complete list of what constitutes *Primary health care* expenditure for this report).

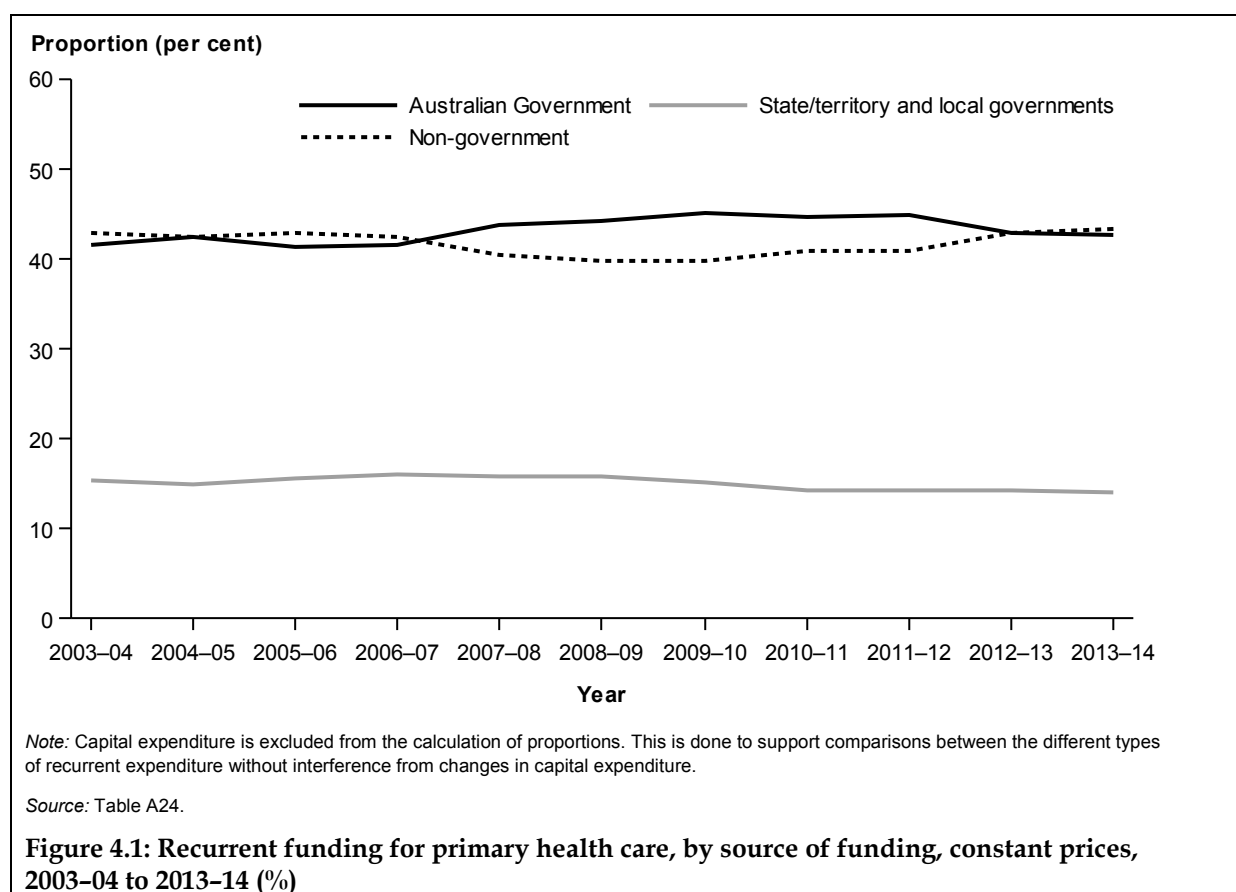
This chapter presents analysis of recurrent expenditure on primary health care. Firstly, a comparison of the trends for each funding source is presented. Then the trend in overall recurrent *Primary health care* expenditure (all types of primary health care expenditure combined) is analysed for each source of funds. Expenditure on some types of *Primary health care* is detailed in a separate section at the end of this chapter.

4.1 Primary health care expenditure by source of funds

In 2013–14, \$54.7 billion was spent on *Primary health care* in Australia, up from \$34.4 billion in 2003–04 (Table A24).

Over the decade to 2013–14, primary health care spending was shared relatively evenly between Australian Government and non-government sources. The share of *Primary health care* spending contributed by the Australian Government rose from 41.5% in 2003–04 to 44.8% in 2011–12, but after 2011–12 dropped to 42.8% in 2012–13 and 42.6% in 2013–14. On the other hand, the non-government share rose from 40.8% in 2011–12 to 42.9% in 2012–13 and 43.3% in 2013–14 (Figure 4.1 and Table A24).

The share of *Primary health care* funding provided by state and territory and local governments fell over the decade from 15.4% in 2003–04 to 14.0% in 2013–14 (Table A24).



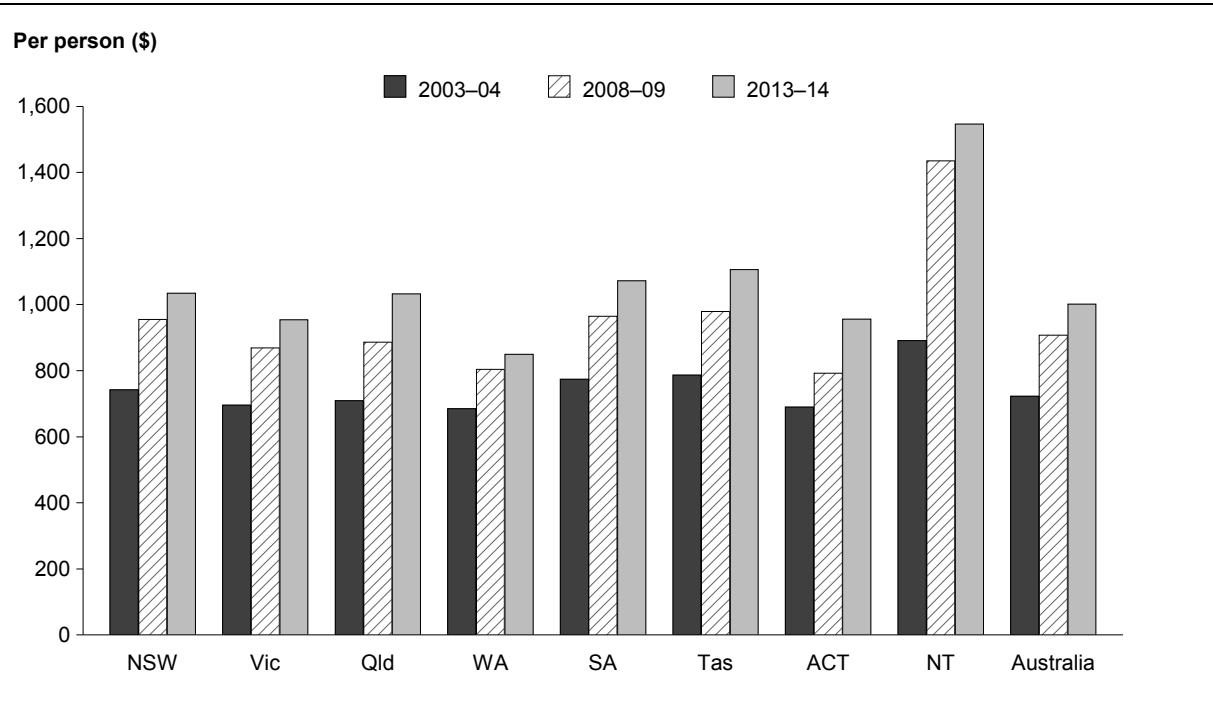
4.2 Australian Government funding

Australian Government funding of *Primary health care* in 2013-14 was \$1,002 per person, up from \$722 in 2003-04, although slightly down from \$1,006 in 2012-13 (Table A25).

In 2013-14, per person funding from the Australian Government was lowest in Western Australia at \$849 per person and highest in the Northern Territory at \$1,546 per person (Figure 4.2 and Table A25).

Australian Government funding for *Primary health care* fell in New South Wales (\$24 per person), Victoria (\$11) and South Australia (\$8) between 2012-13 and 2013-14. In the same period, the Australian Capital Territory had the largest growth of \$100 per person, followed by Tasmania with a growth of \$57 per person.

Australian Government funding for *Primary health care* nationally grew by an average of 3.3% per year over the decade to 2013-14.

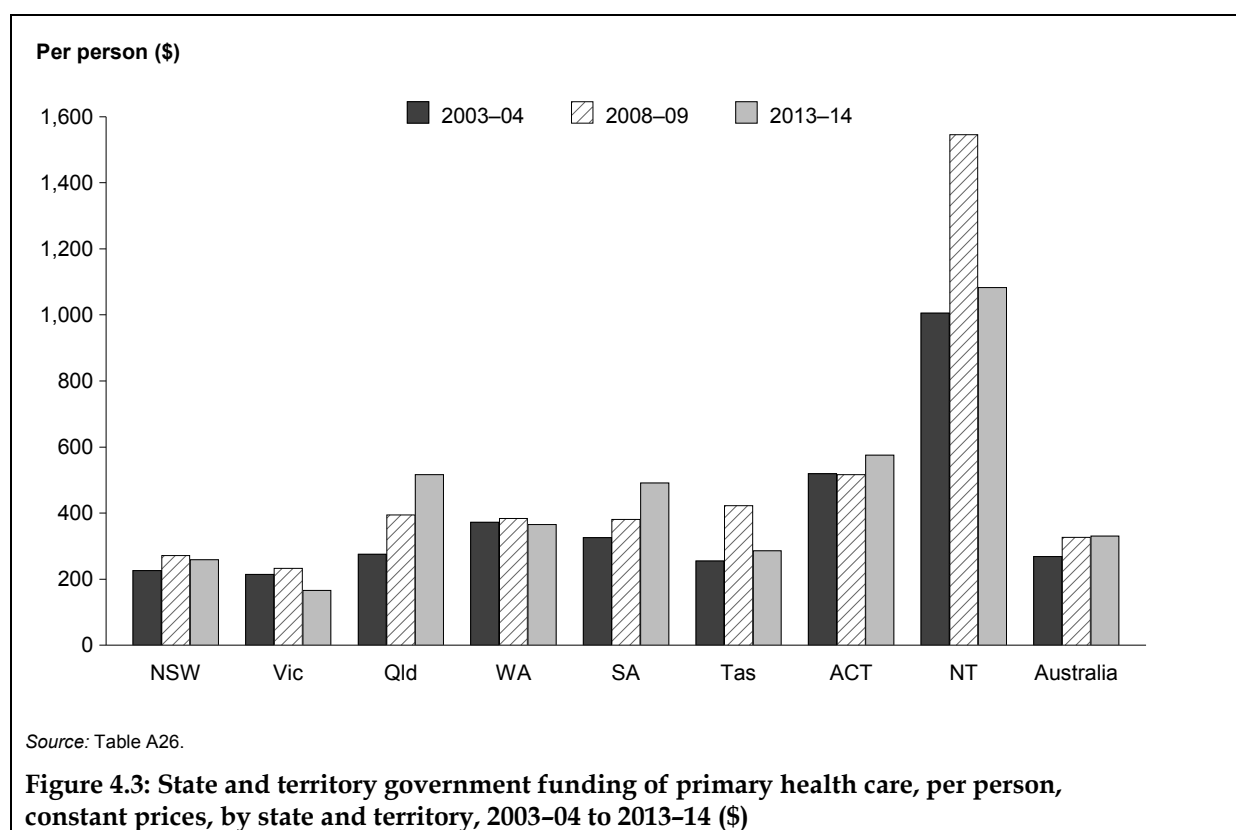


Source: Table A25.

Figure 4.2: Australian Government funding of primary health care, per person, constant prices, by state and territory, 2003-04 to 2013-14 (\$)

4.3 State and territory government funding

In 2013-14, state and territory government funding for *Primary health care* averaged \$330 per person across Australia. The Northern Territory Government spent the most per person in 2013-14 (\$1,082) but this was down from \$1,766 in 2012-13; it also had the third-lowest 10-year growth rate (0.7%) after Victoria (-2.6%) and Western Australia (-0.2%). Queensland had the highest growth rate over the decade at 6.5% (Figure 4.3 and Table A26).

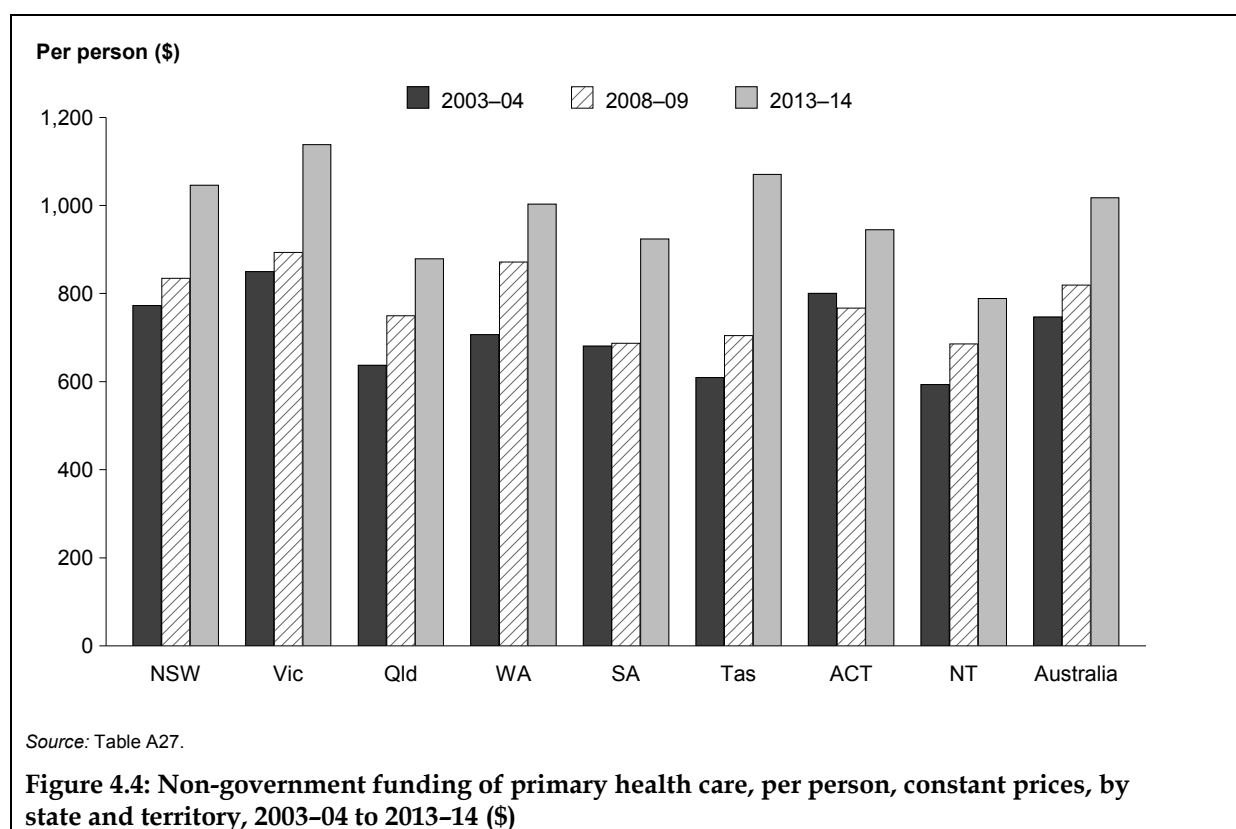


4.4 Non-government funding

In 2013-14, non-government funding for *Primary health care* (mostly coming from individuals' out-of-pocket payments) averaged \$1,018 per person across Australia, which is an increase from \$747 per person in 2003-04 (Figure 4.4 and Table A27).

In 2013-14, non-government funding per person in Victoria was \$1,138, the highest of all the jurisdictions. The lowest levels of non-government funding were in the Northern Territory and Queensland at \$789 and \$878, respectively.

Across the decade 2003-04 to 2013-14, Victoria had the highest non-government funding for *Primary health care*. The average annual growth for all jurisdictions over the decade was 3.1% (Figure 4.4 and Table A27).

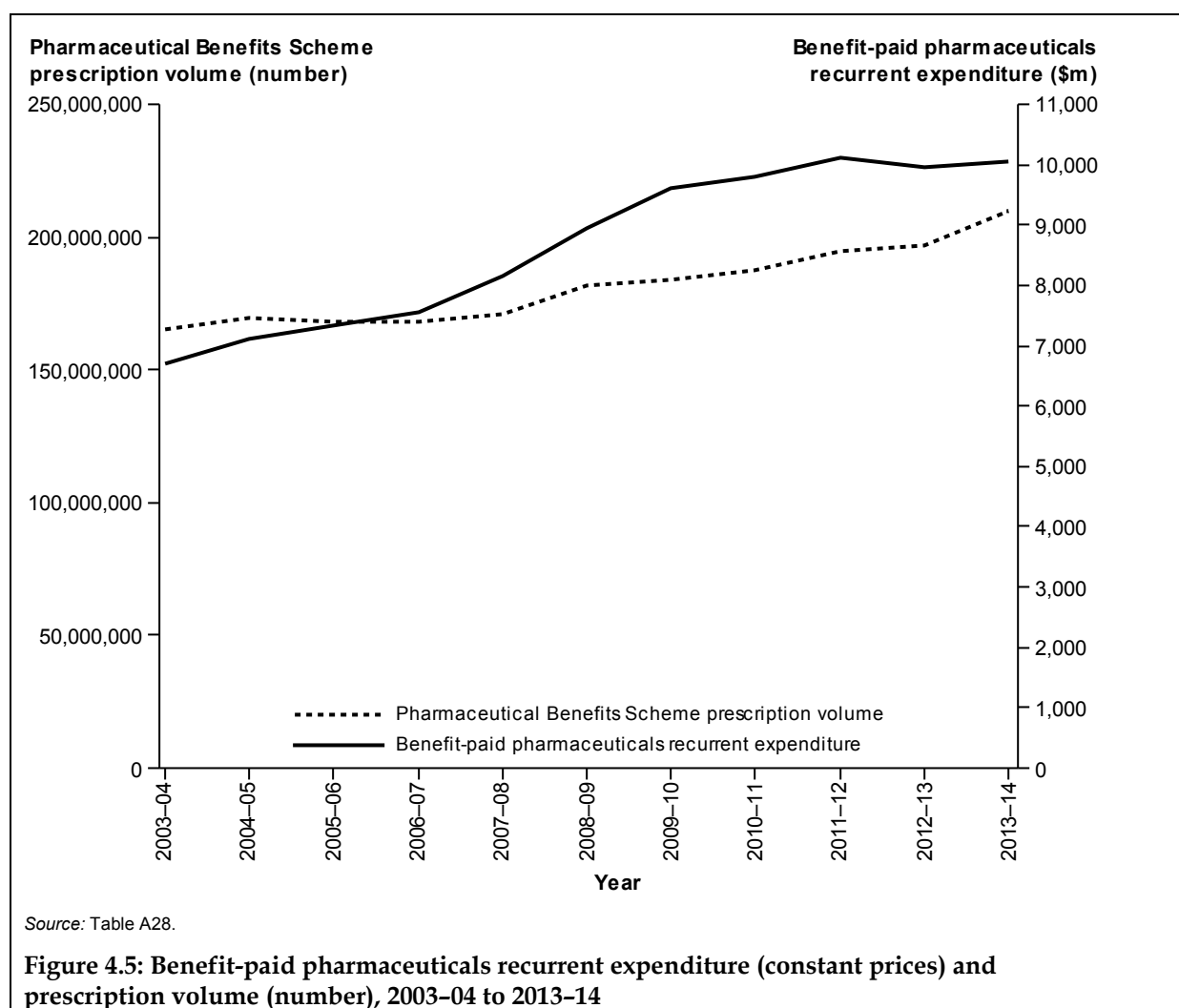


4.5 Types of primary health care spending

Of the \$54.7 billion spent on *Primary health care* in 2013-14, benefit-paid pharmaceuticals accounted for \$10.1 billion, for which the Australian Government provided the majority of the funding (\$8.5 billion). Individuals contributed \$1.6 billion out-of-pocket towards the cost of benefit-paid pharmaceuticals (Table A29).

Per person funding of benefit-paid and other pharmaceuticals by state and territory is shown in Table A39.

Expenditure on *Benefit-paid pharmaceuticals* grew over the 2003-04 to 2013-14 decade, from \$6.7 billion to \$10.1 billion. Growth slowed in the last 3 years compared with earlier years. The slower growth during the latter part of the decade is in contrast to a steady increase in the volume of services, measured by the annual number of prescriptions dispensed, which rose by 26.6% over the same period (Figure 4.5 and Table A28).



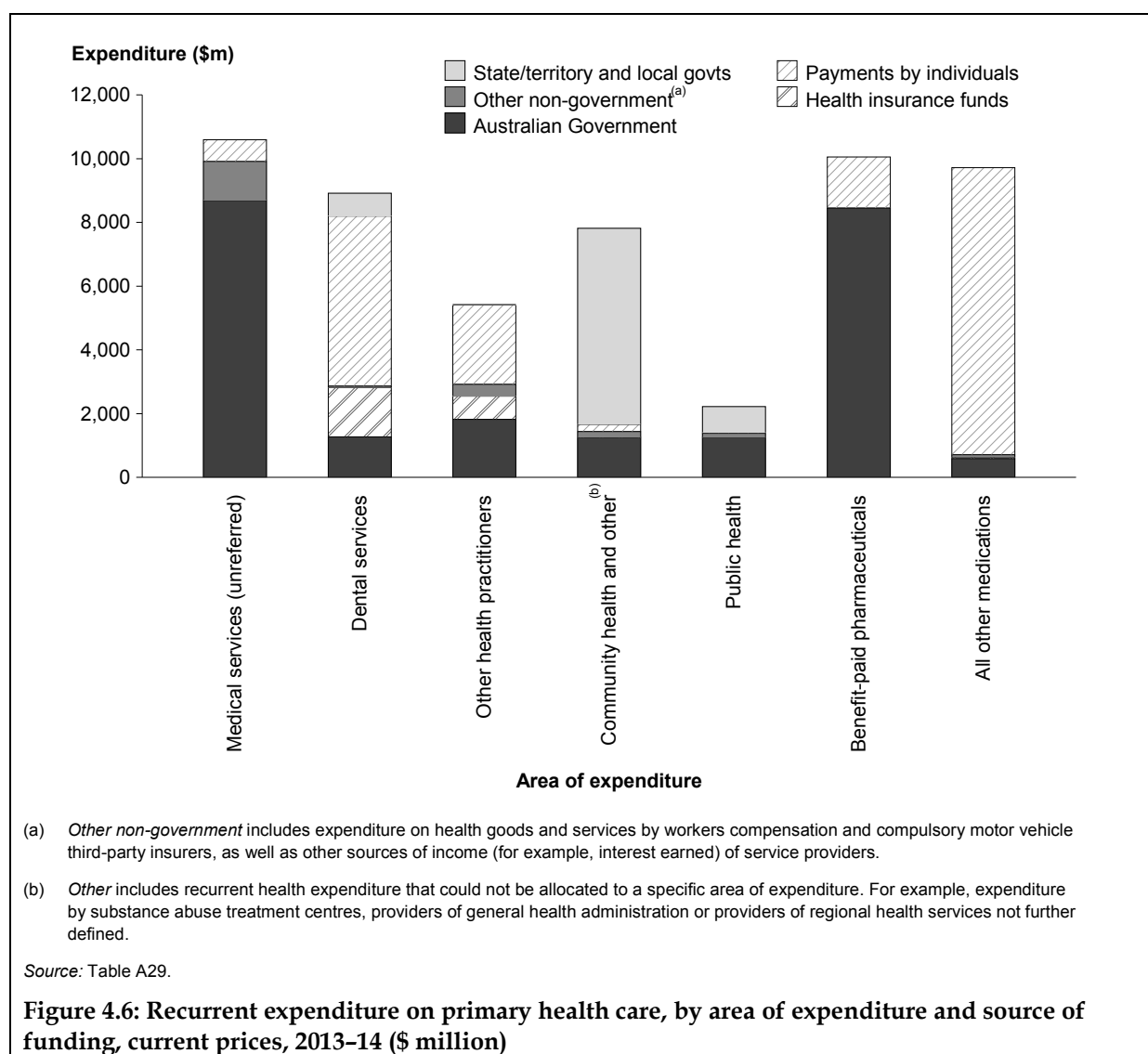
Spending on *All other medications* (see Glossary), which includes over-the-counter pharmaceuticals and private prescriptions, as well as under-copayment pharmaceuticals, was \$9.7 billion in 2013-14. Almost all of this (\$9.0 billion) was paid for by individuals through out-of-pocket payments (Figure 4.6 and Table A29).

The cost of *Unreferred medical services* provided in the primary health care setting was \$10.6 billion in 2013-14 for which the majority of the funding came from the Australian Government (\$8.7 billion).

Expenditure on *Dental services* and *Other health practitioners* was \$8.9 billion and \$5.4 billion respectively in 2013-14. Individuals' out-of-pocket payments accounted for 59.9% (\$5.3 billion) and 45.9% (\$2.5 billion) of the two amounts, respectively.

Community health and other services cost \$7.8 billion in 2013-14, which was mostly funded through state and territory and local governments (\$6.2 billion).

The cost of providing *Public health* services was \$2.2 billion, which was mostly funded by the Australian Government (\$1.3 billion) and the state and territory and local governments (\$0.8 billion) (Table A29).

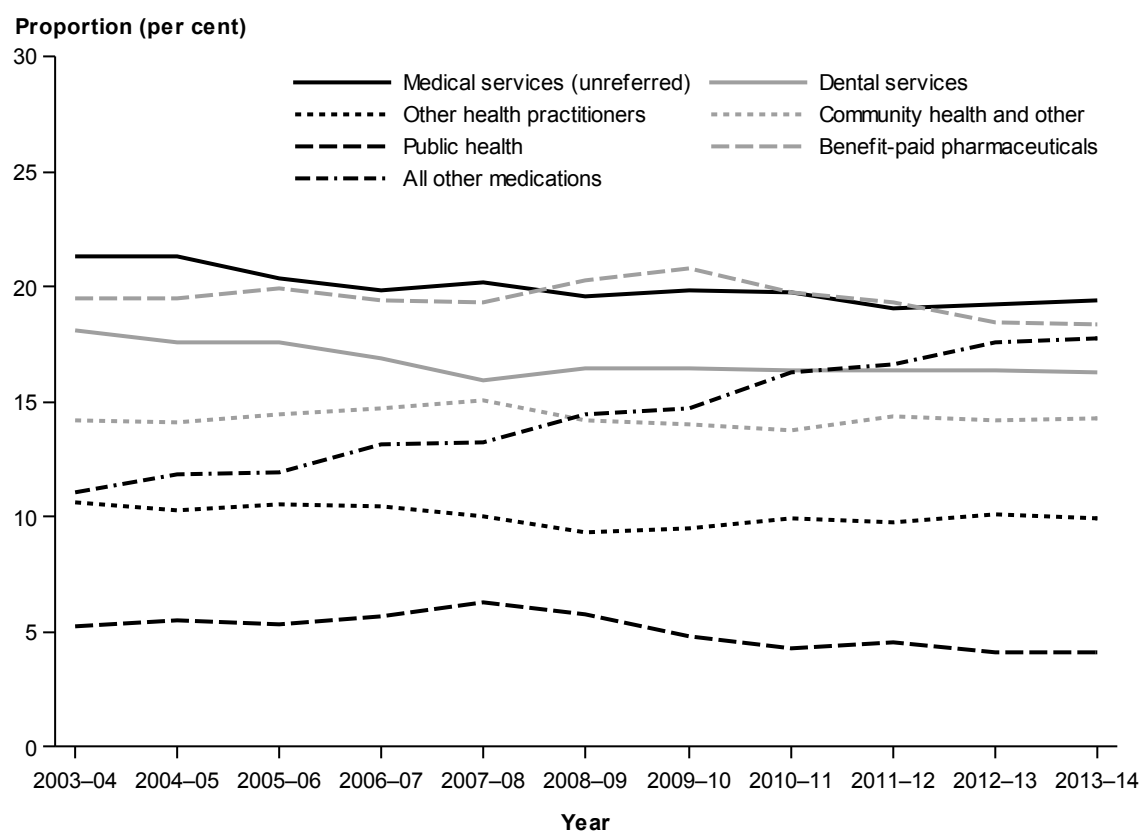


In 2012–13 and 2013–14, *Unreferred medical services* attracted the highest share of primary health care funding at 19.1% and 19.3%, respectively for the two years. This was different to earlier in the decade, when *Benefit-paid pharmaceuticals* attracted the most spending from 2008–09 and 2011–12 (Figure 4.7 and Table A30).

The share of recurrent funding for *All other medications* in 2003–04 was 11.0%. Over the decade, the share increased to 17.7% in 2013–14 (Figure 4.7 and Table A30).

Public health services and *Other health practitioners* attracted the smallest share of primary health-care funding, at around 5% and 10%, respectively, across the decade (Figure 4.7 and Table A30).

The share of primary health care funding for *Dental services* decreased from 18.1% in 2003–04 to 16.2% in 2013–14 (Figure 4.7 and Table A30).



Note: Capital expenditure is excluded from the calculation of proportions. This is done to support comparisons between the different types of recurrent expenditure without interference from changes in capital expenditure.

Source: Table A30.

Figure 4.7: Recurrent funding for primary health care, by area of expenditure, constant prices, 2003-04 to 2013-14 (%)

5 Other health goods and services

There are several areas of recurrent health expenditure that cannot be allocated or are not allocated to either *Hospitals* or *Primary health care*. In this report, these areas of recurrent expenditure are described as *Other health goods and services* (and sometimes as *Other recurrent*). The areas of expenditure that fall into this category are:

- patient transport services
- referred medical services (those medical services that have not been classified as primary health care)
- aids and appliances
- administration (that cannot be allocated to a specific health good or service)
- research.

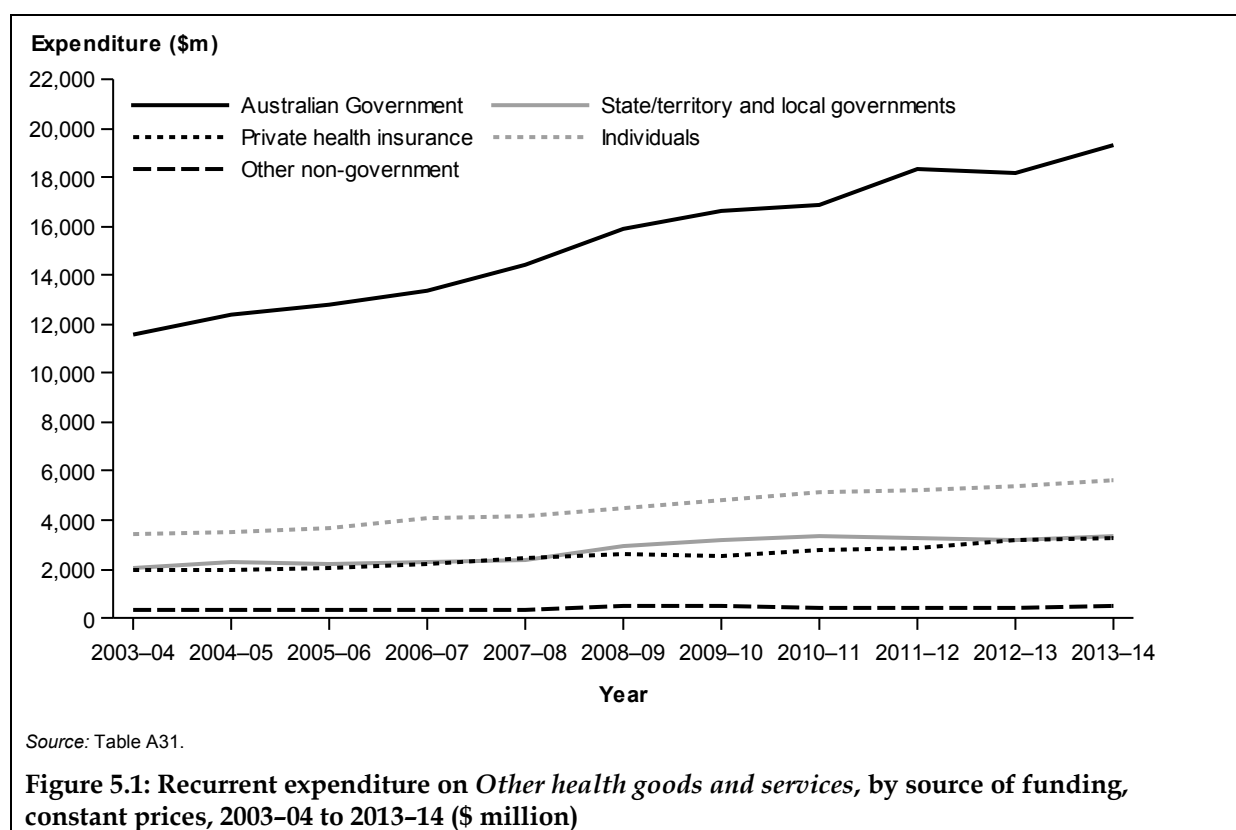
As with the other chapters dealing with recurrent expenditure in this report, this chapter first presents an overview of expenditure by source of funds. Because of the very different types of services that are included in this category, more emphasis is placed on analysing each type of expenditure independently.

5.1 Other health goods and services by source of funds

The average annual growth in expenditure on *Other health goods and services* over the decade (from 2003–04 to 2013–14) was 5.1%, with the Australian Government, state and territory and local governments, private health insurers and individuals all showing around the same growth figure (about 5%) (Table A31).

The Australian Government is the largest funding source of recurrent expenditure in this area (\$19.3 billion in 2013–14 or 60.3% of expenditure in this area) (Table A31). This is mainly due to funding of referred medical services. Per person funding of *Primary health care* and *Other health goods and services* through the Medicare Benefits Scheme in 2013–14 is shown in tables A40 and A41.

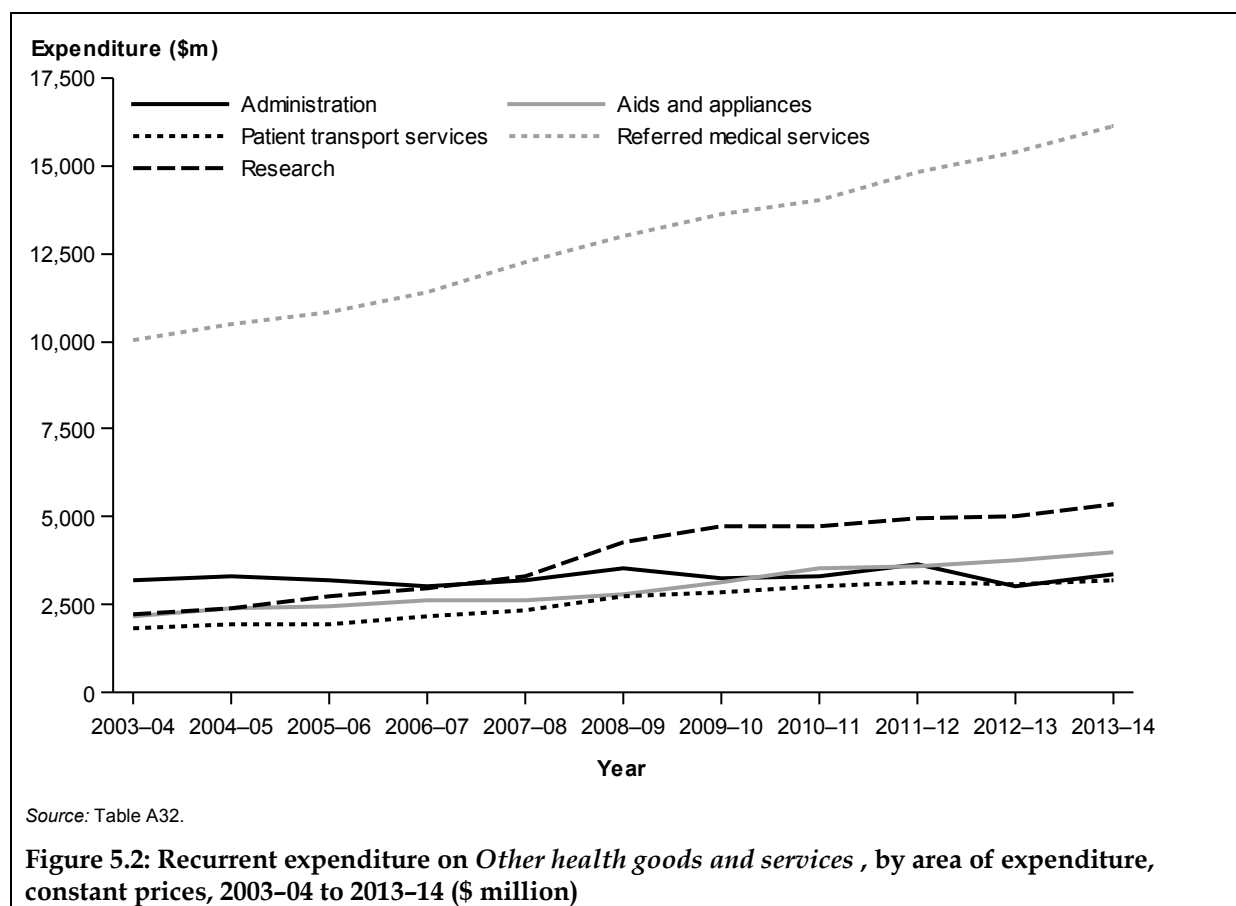
Individuals provided the next largest source of funds for *Other health goods and services*, with a combined expenditure of \$5.6 billion in 2013–14 (Figure 5.1 and Table A31).



5.2 Types of *Other health goods and services*

Around 50% of *Other health goods and services* expenditure is through *Referred medical services*, with an expenditure of \$16.1 billion in 2013-14. *Research*, with an expenditure of \$5.3 billion in 2013-14, was the second highest area of expenditure (Figure 5.2 and Table A32).

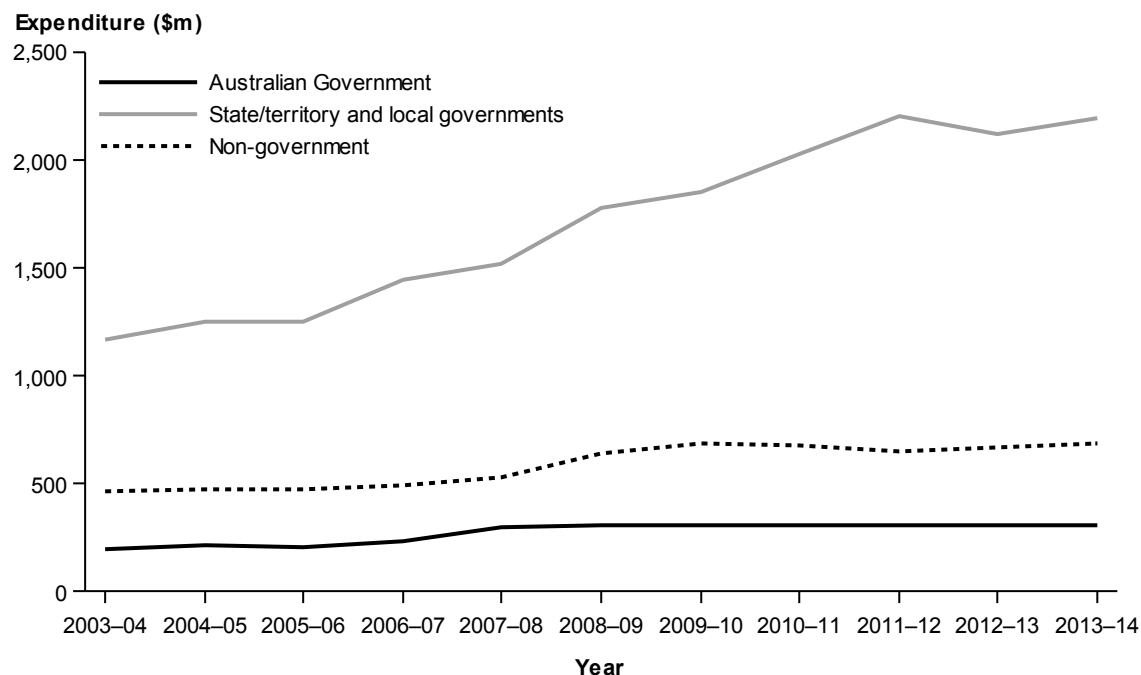
Expenditure on *Administration* has varied throughout the 10-year period with a low of \$3.0 billion in 2006-07 and 2012-13 and a high of \$3.6 billion in 2011-12. In 2013-14, *Administration* expenditure was \$3.4 billion (Table A32).



Patient transport services

Of the total health expenditure on *Patient transport services* of \$3.2 billion in 2013-14, state and territory and local governments funded \$2.2 billion (Figure 5.3 and Table A33).

The average annual growth for *Patient transport services* expenditure from 2003-04 to 2013-14 was 5.8%. State and territory and local government funding of patient transport services grew by an annual average of 6.6% in the same period, which was the highest rate of growth of all sources of patient transport funding (Table A33).



Source: Table A33.

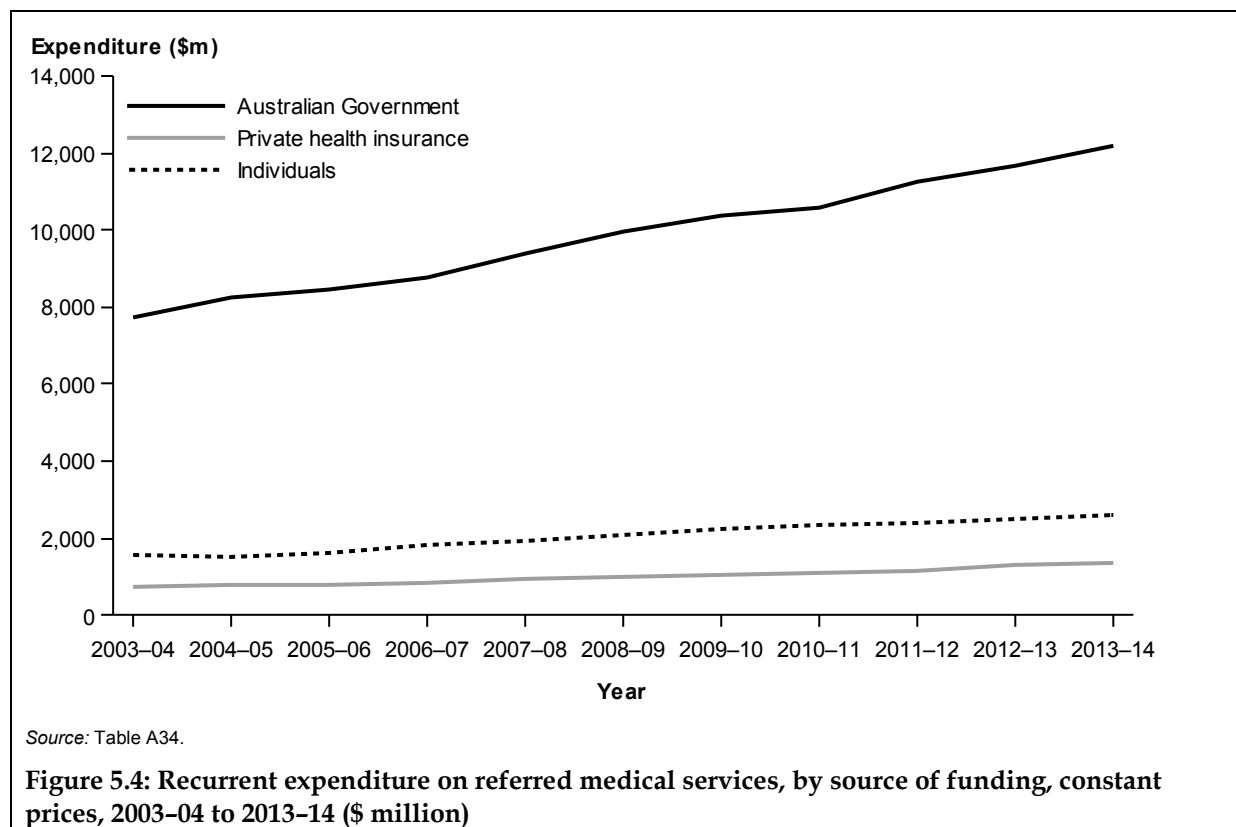
Figure 5.3: Recurrent expenditure on patient transport services, by source of funding, constant prices, 2003-04 to 2013-14 (\$ million)

Referred medical services

In 2013-14, \$16.1 billion was spent on *Referred medical services*, such as those provided by medical specialists in private practice (Figure 5.4 and Table A34).

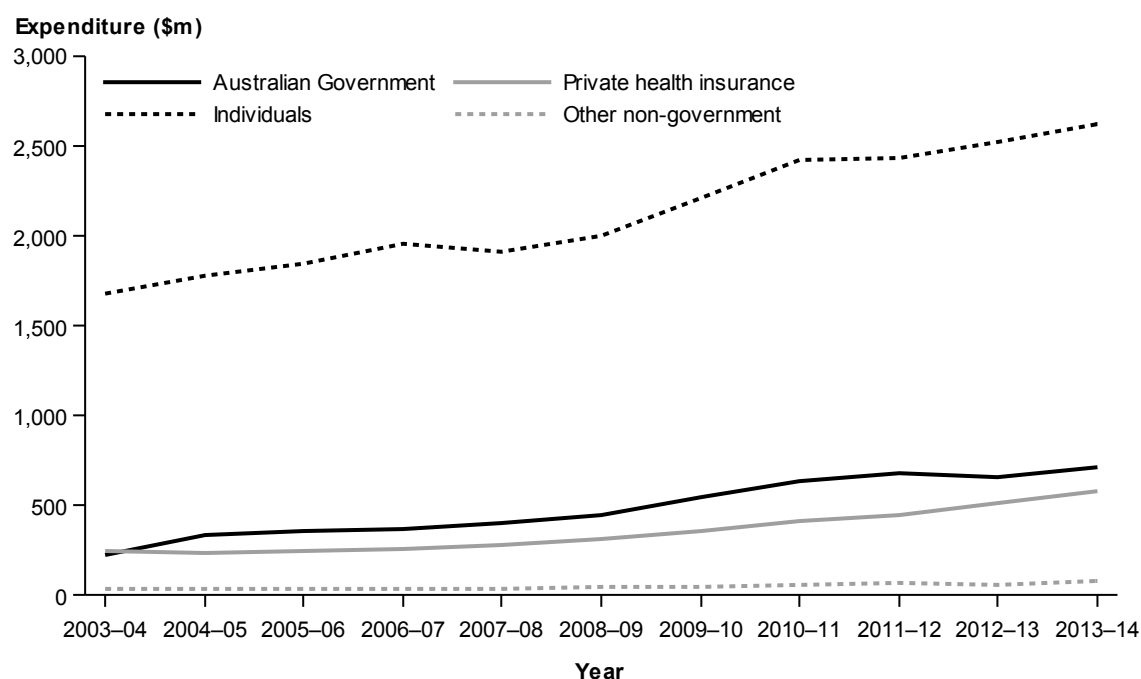
The majority of the \$16.1 billion was provided by the Australian Government (\$12.2 billion), with the remainder funded by individuals through out-of-pocket payments (\$2.6 billion) and through private health insurance (\$1.4 billion) (Figure 5.4 and Table A34).

The average annual growth rate for *Referred medical services* expenditure from all sources over the decade was 4.9%. The fastest growth in expenditure on *Referred medical services* over the decade was by private health insurers (6.1%), who also had the highest growth in 2013-14 compared with the previous year (5.5%).



Aids and appliances

Individuals, through out-of-pocket payments, provided most of the funding for *Aids and appliances*, at 65.9% (\$2.6 billion) of the total expenditure of \$4.0 billion in 2013-14. In comparison, the Australian Government provided \$0.7 billion of the total funding for *Aids and appliances* in 2013-14 (Figure 5.5 and Table A35).

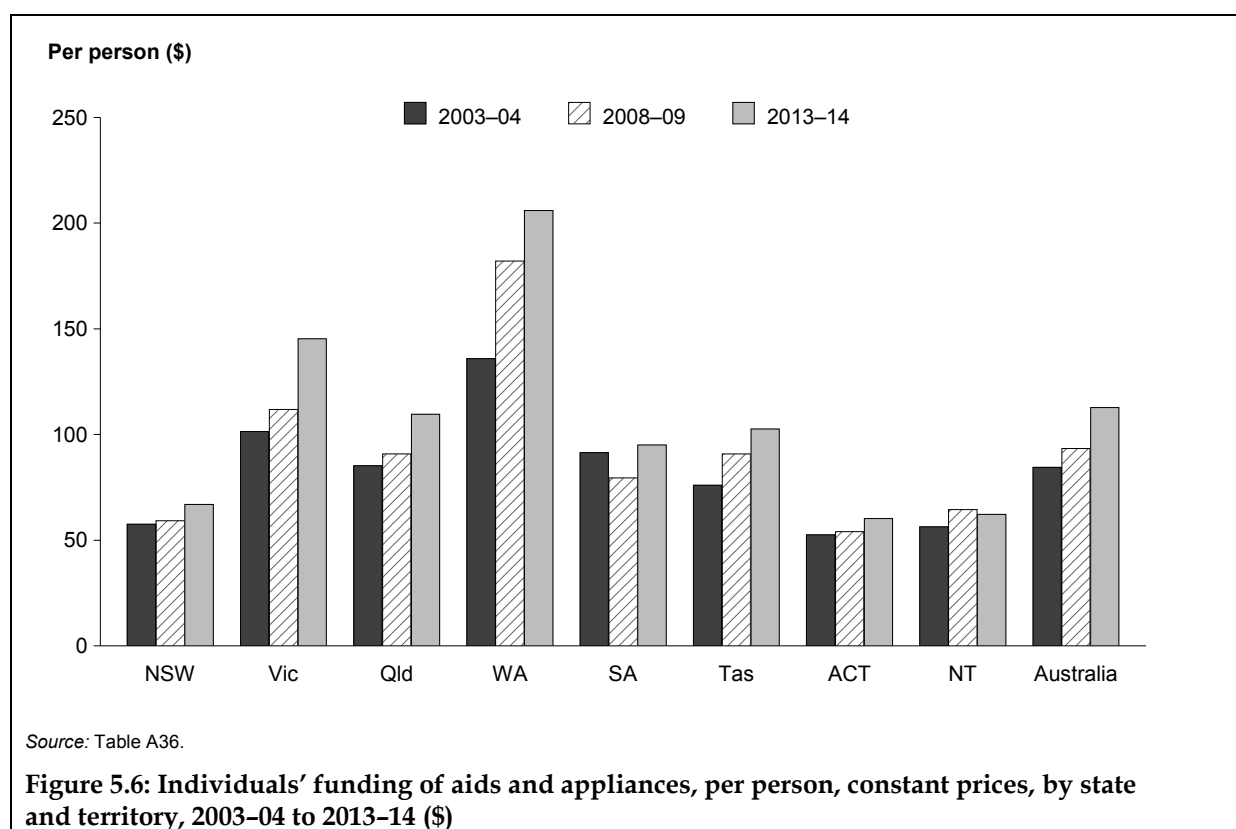


Source: Table A35.

Figure 5.5: Recurrent expenditure on aids and appliances, by source of funding, constant prices, 2003-04 to 2013-14 (\$ million)

From 2003-04 to 2013-14, individuals' funding for *Aids and appliances* had the highest increase in Western Australia, with an average annual real growth rate in per person expenditure of 4.2% over that period. Average annual growth in other jurisdictions ranged from 0.4% (South Australia) to 3.7% (Victoria) (Table A36).

In 2013-14, Western Australia had the highest per person funding from individuals for *Aids and appliances* at \$206 per person, which was nearly double the national average of \$113 per person. The Australian Capital Territory had the lowest amount, at \$60 per person (Figure 5.6 and Table A36).

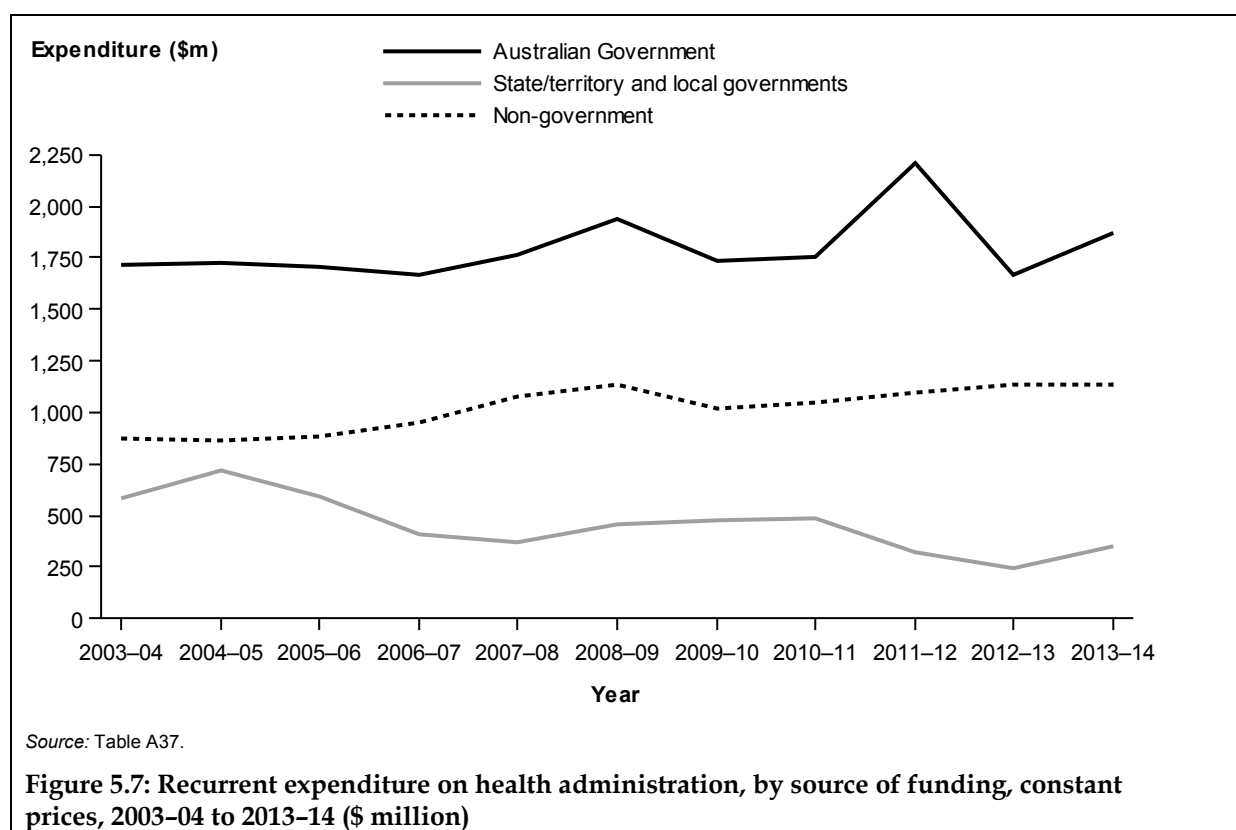


Administration

Where possible, administrative costs related to the delivery of particular health goods and services are included in the direct expenditure relevant to those goods and services; for example, administrative costs for delivering a dental service are reported as part of *Dental services* expenditure 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 *Administration*.

Australian Government expenditure in *Administration* did not show a clear trend in the last 5 years (Figure 5.7 and Table A37).

State and territory and local government expenditure in *Administration* has generally trended down since 2004-05. In 2013-14, state and territory and local government *Administration* expenditure was \$0.3 billion, up from \$0.2 billion in 2012-13 but much less than the peak of \$0.7 billion in 2004-05 (Figure 5.7 and Table A37).

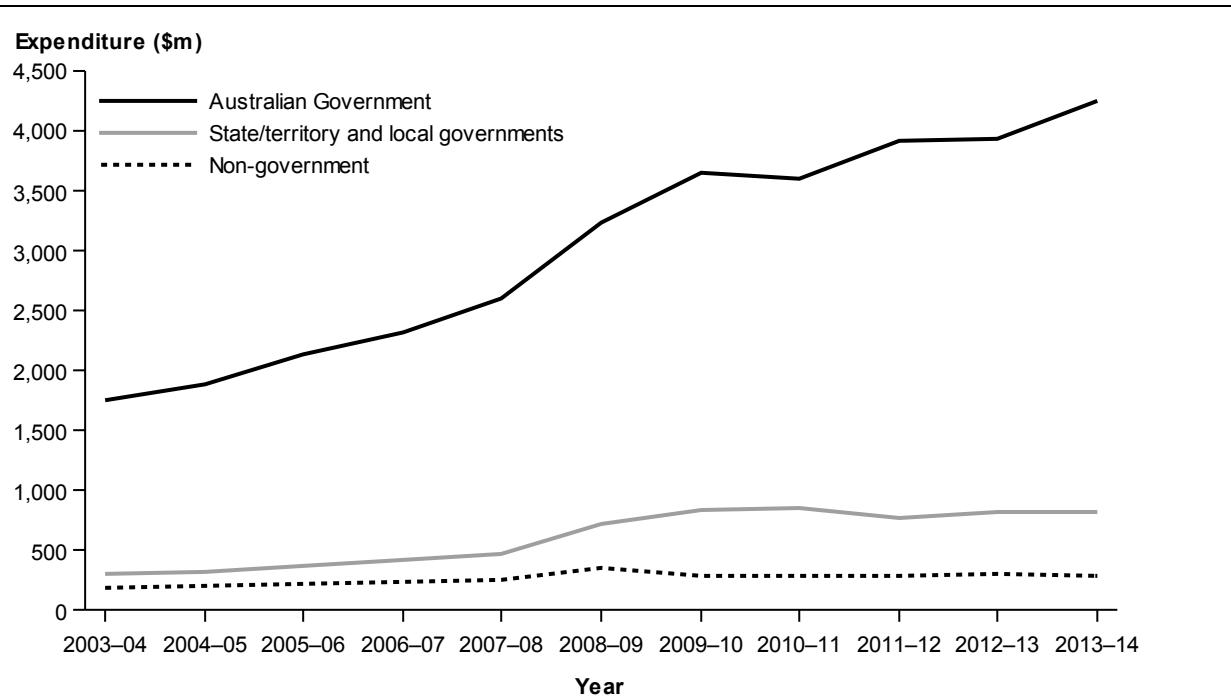


Research

The average annual growth rate for *Research* expenditure from 2003-04 to 2013-14 was 9.1%. The growth rate in the first half of the decade (from 2003-04 to 2008-09) of 14.0% was higher than in the latter half, from 2008-09 to 2013-14, of 4.4%. In the year to 2013-14, growth was 5.8% compared to 1.5% for the previous year (Table A38).

The growth in *Research* spending over the decade was driven by the Australian Government and, to a lesser extent, the state and territory and local governments (Figure 5.8 and Table A38).

Research expenditure by the Australian Government rose from \$1.7 billion in 2003-04 to \$4.2 billion in 2013-14.



Source: Table A38.

Figure 5.8: Recurrent expenditure on health research, by source of funding, constant prices, 2003-04 to 2013-14 (\$ million)

6 Capital expenditure

This chapter provides an overview of capital expenditure trends according to the entity that purchased (i.e. took ownership of) the asset rather than the source of funds. This differs from the treatment of recurrent expenditure because accurately identifying funding sources for capital expenditure for particular types of health goods and services can be difficult with the currently available data, particularly in relation to government expenditure.

Information on expenditure by governments on capital is derived from Government Finance Statistics (GFS) data provided by the ABS. The GFS data received by the AIHW for this expenditure analysis does not always include sufficient detail to identify the funding sources that contributed to the expenditure. They only identify the entity that took final ownership of the goods after the purchase was made. This means that where the Australian Government might have provided funding to a state or territory to support a capital purchase, it is often not possible to separate the Australian Government contribution from the state or territory contribution.

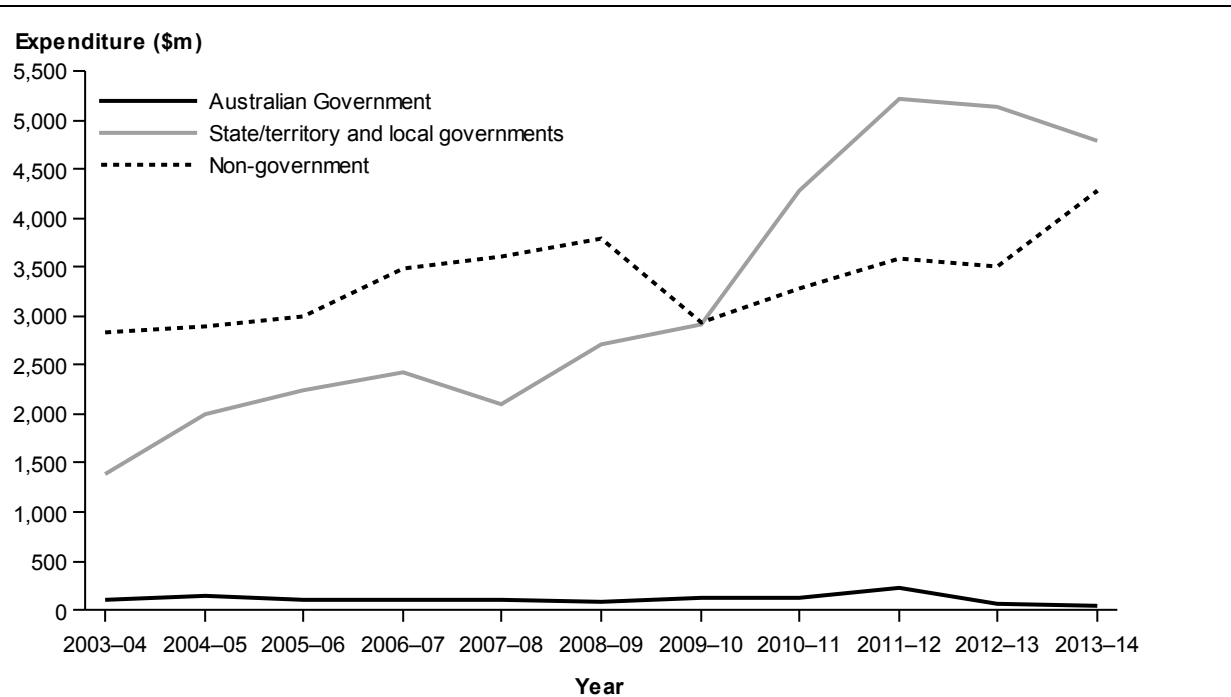
This has been a particular issue in recent years with the Australian Government's establishing of a \$5 billion Health and Hospitals Fund (HHF) in 2009 to support capital investment in the states and territories. This supported a relatively rapid increase in capital expenditure by the states and territories between 2009–10 and 2011–12 (as measured in the GFS), while the Australian Government's capital expenditure remained relatively constant (Figure 6.1 and Table A42).

There has been a range of concerns raised by the states and territories relating to limitations in AIHW capital expenditure reporting and in particular for capital expenditure reporting. For these reasons, the AIHW has instigated a review of the data and methods used to estimate capital expenditure related to health. In this context, this report focuses on national level trends in capital expenditure rather than providing detailed analysis of trends in each state and territory.

6.1 Capital expenditure trends

In 2013–14, state and territory and local governments purchased \$4.8 billion worth of capital assets out of a national total of \$9.1 billion in capital expenditure reported in total (Table A42).

Capital expenditure by the non-government sector increased from \$2.8 billion in 2003–04 to \$4.3 billion in 2013–14.



Source: Table A42.

Figure 6.1: Capital expenditure, by owner of asset, constant prices, 2003-04 to 2013-14 (\$ million)

Appendix A: Source tables

Table A1: Expenditure (recurrent and capital) on health, by broad area of expenditure, and share of recurrent health expenditure, constant prices^(a), 2003–04 to 2013–14

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)
2003–04	36,727	40.5	34,441	38.0	19,436	21.4	90,604	100.0	4,328	94,932
2004–05	38,899	40.5	36,505	38.0	20,561	21.4	95,964	100.0	5,049	101,014
2005–06	40,267	40.9	36,887	37.5	21,127	21.4	98,281	100.0	5,333	103,614
2006–07	42,523	40.9	39,051	37.6	22,201	21.3	103,775	100.0	6,020	109,795
2007–08	45,207	40.6	42,250	37.9	23,761	21.3	111,217	100.0	5,830	117,048
2008–09	48,627	40.8	44,103	37.0	26,386	22.1	119,117	100.0	6,589	125,705
2009–10	50,847	40.8	46,162	37.0	27,591	22.1	124,600	100.0	5,981	130,582
2010–11	53,923	40.8	49,661	37.5	28,561	21.6	132,145	100.0	7,681	139,826
2011–12	56,640	40.6	52,441	37.6	30,211	21.6	139,293	100.0	9,012	148,304
2012–13	57,054	40.3	53,861	38.1	30,344	21.4	141,258	100.0	8,727	149,986
2013–14	58,760	40.3	54,730	37.6	32,018	22.0	145,508	100.0	9,114	154,622

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

(b) Includes public hospital services and private hospitals.

(c) Includes medications, unreferred 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), 2003–04 to 2013–14

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)
2003–04	15,059	36.7	14,323	34.9	11,602	28.3	40,984	100.0	104	41,088
2004–05	15,717	36.0	15,491	35.5	12,395	28.4	43,602	100.0	140	43,742
2005–06	15,635	35.7	15,277	34.9	12,829	29.3	43,742	100.0	102	43,844
2006–07	16,029	35.1	16,233	35.5	13,356	29.2	45,618	100.0	114	45,732
2007–08	17,463	34.6	18,459	36.6	14,465	28.7	50,386	100.0	106	50,493
2008–09	19,327	35.3	19,494	35.6	15,878	29.0	54,700	100.0	91	54,791
2009–10	18,879	33.5	20,868	37.0	16,596	29.4	56,343	100.0	131	56,473
2010–11	20,503	34.3	22,238	37.3	16,870	28.2	59,611	100.0	134	59,745
2011–12	21,099	33.5	23,520	37.3	18,363	29.1	62,982	100.0	218	63,200
2012–13	20,425	33.1	23,067	37.3	18,206	29.5	61,698	100.0	72	61,770
2013–14	20,784	32.7	23,334	36.7	19,308	30.4	63,426	100.0	49	63,475

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

(b) Includes public hospital services and private hospitals.

(c) Includes medications, unreferred 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: 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), 2003–04 to 2013–14

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)
2003–04	14,968	67.0	5,315	23.8	2,045	9.1	22,328	100.0	1,393	23,720
2004–05	15,990	67.2	5,481	23.0	2,296	9.6	23,767	100.0	2,008	25,775
2005–06	17,290	68.4	5,763	22.8	2,203	8.7	25,256	100.0	2,237	27,493
2006–07	18,747	68.8	6,237	22.8	2,260	8.2	27,243	100.0	2,419	29,662
2007–08	19,648	68.4	6,718	23.3	2,358	8.2	28,724	100.0	2,109	30,834
2008–09	19,478	66.1	7,015	23.8	2,960	10.0	29,453	100.0	2,712	32,165
2009–10	21,878	68.4	6,939	21.7	3,155	9.8	31,973	100.0	2,909	34,882
2010–11	22,459	68.2	7,093	21.5	3,366	10.2	32,918	100.0	4,268	37,186
2011–12	24,256	69.1	7,517	21.4	3,302	9.4	35,076	100.0	5,210	40,286
2012–13	24,359	69.1	7,668	21.7	3,180	9.0	35,208	100.0	5,141	40,350
2013–14	25,295	69.5	7,692	21.1	3,362	9.2	36,349	100.0	4,783	41,132

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

(b) Includes public hospital services and private hospitals.

(c) Includes medications, unreferred 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 A4: Non-government^(a) funding of health, by broad area of expenditure, and share of non-government recurrent health expenditure, constant prices^(b), 2003–04 to 2013–14

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)
2003–04	6,699	24.5	14,803	54.2	5,789	21.2	27,292	100.0	2,832	30,123
2004–05	7,192	25.1	15,533	54.3	5,870	20.5	28,595	100.0	2,901	31,496
2005–06	7,342	25.0	15,846	54.1	6,095	20.8	29,283	100.0	2,995	32,277
2006–07	7,746	25.0	16,582	53.6	6,585	21.3	30,914	100.0	3,487	34,401
2007–08	8,095	25.2	17,073	53.1	6,938	21.6	32,106	100.0	3,615	35,721
2008–09	9,822	28.0	17,594	50.3	7,548	21.5	34,964	100.0	3,785	38,749
2009–10	10,089	27.8	18,355	50.5	7,840	21.6	36,285	100.0	2,942	39,226
2010–11	10,961	27.6	20,330	51.3	8,325	21.0	39,615	100.0	3,279	42,895
2011–12	11,285	27.3	21,404	51.9	8,546	20.7	41,235	100.0	3,584	44,819
2012–13	12,269	27.6	23,126	52.1	8,957	20.1	44,352	100.0	3,514	47,866
2013–14	12,681	27.7	23,704	51.8	9,348	20.4	45,733	100.0	4,282	50,015

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

(b) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

(c) Includes public hospital services and private hospitals.

(d) Includes medications, unreferred 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.

Note: A change in the collection of revenue information was implemented in 2008–09 that affected these data.

Source: AIHW health expenditure database.

Table A5: Australian Government funding of total health expenditure, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	2,083	2,026	2,063	2,043	2,192	2,065	2,329	2,011	2,072
2004–05	2,206	2,123	2,184	2,141	2,307	2,125	2,367	2,102	2,182
2005–06	2,176	2,102	2,167	2,076	2,308	2,126	2,329	2,319	2,159
2006–07	2,237	2,181	2,207	2,110	2,353	2,153	2,497	2,427	2,217
2007–08	2,442	2,369	2,346	2,259	2,530	2,507	2,740	2,776	2,403
2008–09	2,618	2,544	2,461	2,337	2,690	2,648	2,792	2,926	2,551
2009–10	2,675	2,546	2,484	2,344	2,749	2,800	2,677	3,048	2,583
2010–11	2,753	2,691	2,648	2,443	2,840	2,802	2,794	3,000	2,695
2011–12	2,868	2,805	2,778	2,458	2,969	2,798	3,020	3,603	2,806
2012–13	2,813	2,701	2,657	2,320	2,778	2,837	2,595	2,836	2,695
2013–14	2,827	2,704	2,717	2,371	2,769	2,982	2,920	2,805	2,725
Average annual growth rate (%)									
2003–04 to 2008–09	4.7	4.7	3.6	2.7	4.2	5.1	3.7	7.8	4.2
2008–09 to 2013–14	1.5	1.2	2.0	0.3	0.6	2.4	0.9	–0.8	1.3
2003–04 to 2013–14	3.1	2.9	2.8	1.5	2.4	3.7	2.3	3.4	2.8

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A6: State and territory government funding of total health expenditure, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	1,217	1,039	1,156	1,301	1,324	990	1,683	2,853	1,196
2004–05	1,332	1,082	1,148	1,473	1,558	1,093	1,912	2,938	1,286
2005–06	1,362	1,186	1,326	1,439	1,513	1,220	2,018	2,910	1,354
2006–07	1,378	1,233	1,539	1,595	1,581	1,356	2,041	3,032	1,438
2007–08	1,357	1,187	1,664	1,668	1,740	1,417	2,064	3,139	1,467
2008–09	1,334	1,190	1,764	1,714	1,837	1,363	2,300	3,353	1,498
2009–10	1,381	1,287	1,973	1,736	1,984	1,392	2,540	3,197	1,595
2010–11	1,417	1,358	1,974	1,998	2,018	1,822	2,754	4,039	1,677
2011–12	1,471	1,358	2,154	2,349	2,169	1,722	3,015	4,750	1,789
2012–13	1,561	1,308	2,090	2,222	2,046	1,306	2,898	4,688	1,760
2013–14	1,565	1,408	2,023	2,165	2,157	1,390	2,642	4,044	1,766
Average annual growth rate (%)									
2003–04 to 2008–09	1.9	2.8	8.8	5.7	6.8	6.6	6.4	3.3	4.6
2008–09 to 2013–14	3.2	3.4	2.8	4.8	3.3	0.4	2.8	3.8	3.3
2003–04 to 2013–14	2.6	3.1	5.8	5.2	5.0	3.4	4.6	3.6	4.0

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A7: Non-government^(a) funding of total health expenditure, per person, constant prices^(b), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	1,493	1,644	1,486	1,552	1,373	1,338	1,653	1,021	1,519
2004–05	1,530	1,728	1,469	1,667	1,454	1,410	1,749	1,098	1,571
2005–06	1,515	1,751	1,478	1,783	1,405	1,608	1,765	1,354	1,589
2006–07	1,628	1,803	1,628	1,799	1,459	1,456	1,666	1,195	1,668
2007–08	1,686	1,721	1,694	1,843	1,708	1,426	1,541	1,171	1,700
2008–09	1,792	1,912	1,834	1,888	1,527	1,548	1,549	1,207	1,804
2009–10	1,767	1,976	1,758	1,890	1,529	1,447	1,481	1,191	1,794
2010–11	1,946	2,136	1,820	1,991	1,678	1,669	1,665	1,260	1,935
2011–12	2,013	2,243	1,858	1,885	1,708	2,005	1,663	1,385	1,990
2012–13	2,136	2,298	1,916	2,031	1,821	2,234	1,839	1,531	2,088
2013–14	2,119	2,315	2,111	2,169	1,963	2,127	1,753	1,443	2,147
Average annual growth rate (%)									
2003–04 to 2008–09	3.7	3.1	4.3	4.0	2.1	3.0	–1.3	3.4	3.5
2008–09 to 2013–14	3.4	3.9	2.8	2.8	5.2	6.6	2.5	3.6	3.5
2003–04 to 2013–14	3.6	3.5	3.6	3.4	3.6	4.7	0.6	3.5	3.5

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

(b) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A8: Recurrent expenditure on hospitals, by source of funding, and annual growth rates, constant prices^(a), 2003–04 to 2013–14

Year	Australian Government		State/territory and local governments		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 (%)
2003–04	15,059	..	14,968	..	30,027	..	4,405	..	590	..	1,703	..	6,699	..	36,727	..
2004–05	15,717	4.4	15,990	6.8	31,707	5.6	4,547	3.2	723	22.4	1,922	12.8	7,192	7.4	38,899	5.9
2005–06	15,635	–0.5	17,290	8.1	32,926	3.8	4,567	0.4	802	11.0	1,973	2.7	7,342	2.1	40,267	3.5
2006–07	16,029	2.5	18,747	8.4	34,777	5.6	4,822	5.6	760	–5.3	2,164	9.7	7,746	5.5	42,523	5.6
2007–08	17,463	8.9	19,648	4.8	37,111	6.7	5,050	4.7	956	25.9	2,089	–3.5	8,095	4.5	45,207	6.3
2008–09	19,327	10.7	19,478	–0.9	38,805	4.6	5,585	10.6	2,162	126.1	2,076	–0.6	9,822	21.3	48,627	7.6
2009–10	18,879	–2.3	21,878	12.3	40,758	5.0	5,655	1.3	2,377	10.0	2,057	–0.9	10,089	2.7	50,847	4.6
2010–11	20,503	8.6	22,459	2.7	42,962	5.4	6,018	6.4	2,719	14.4	2,224	8.1	10,961	8.6	53,923	6.0
2011–12	21,099	2.9	24,256	8.0	45,355	5.6	6,233	3.6	2,591	–4.7	2,461	10.7	11,285	3.0	56,640	5.0
2012–13	20,425	–3.2	24,359	0.4	44,785	–1.3	6,821	9.4	2,778	7.2	2,670	8.5	12,269	8.7	57,054	0.7
2013–14	20,784	1.8	25,295	3.8	46,079	2.9	7,289	6.9	2,650	–4.6	2,742	2.7	12,681	3.4	58,760	3.0
Average annual growth rate (%)																
2003–04 to 2008–09	..	5.1	..	5.4	..	5.3	..	4.9	..	29.6	..	4.0	..	8.0	..	5.8
2008–09 to 2013–14	..	1.5	..	5.4	..	3.5	..	5.5	..	4.2	..	5.7	..	5.2	..	3.9
2003–04 to 2013–14	..	3.3	..	5.4	..	4.4	..	5.2	..	16.2	..	4.9	..	6.6	..	4.8

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 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 A9: Recurrent expenditure on public hospital services, by source of funding, and annual growth rates, constant prices^(a), 2003–04 to 2013–14

Year	Australian Government		State/territory and local governments		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 (%)
2003–04	12,239	..	14,670	..	26,909	..	466	..	240	..	1,037	..	1,743	..	28,652	..
2004–05	12,763	4.3	15,684	6.9	28,448	5.7	519	11.5	378	57.5	1,199	15.6	2,096	20.3	30,544	6.6
2005–06	12,647	–0.9	16,971	8.2	29,617	4.1	534	2.9	442	16.9	1,223	2.0	2,199	4.9	31,817	4.2
2006–07	12,997	2.8	18,434	8.6	31,431	6.1	584	9.4	299	–32.5	1,515	23.9	2,398	9.0	33,829	6.3
2007–08	14,165	9.0	19,321	4.8	33,486	6.5	622	6.4	557	86.6	1,414	–6.7	2,593	8.1	36,079	6.7
2008–09	16,027	13.1	19,061	–1.3	35,088	4.8	702	12.8	1,113	99.7	1,223	–13.5	3,037	17.1	38,125	5.7
2009–10	15,237	–4.9	21,452	12.5	36,689	4.6	704	0.4	1,027	–7.8	1,373	12.3	3,104	2.2	39,793	4.4
2010–11	16,734	9.8	21,963	2.4	38,696	5.5	725	2.9	1,258	22.5	1,561	13.7	3,544	14.2	42,240	6.1
2011–12	17,065	2.0	23,727	8.0	40,792	5.4	797	9.9	1,180	–6.2	1,722	10.3	3,698	4.4	44,490	5.3
2012–13	16,689	–2.2	23,885	0.7	40,574	–0.5	928	16.5	1,343	13.8	1,801	4.6	4,072	10.1	44,647	0.4
2013–14	16,841	0.9	24,788	3.8	41,629	2.6	944	1.7	1,308	–2.6	1,842	2.3	4,094	0.5	45,723	2.4
Average annual growth rate (%)																
2003–04 to 2008–09	..	5.5	..	5.4	..	5.5	..	8.5	..	35.9	..	3.4	..	11.7	..	5.9
2008–09 to 2013–14	..	1.0	..	5.4	..	3.5	..	6.1	..	3.3	..	8.5	..	6.2	..	3.7
2003–04 to 2013–14	..	3.2	..	5.4	..	4.5	..	7.3	..	18.5	..	5.9	..	8.9	..	4.8

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 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 A10: Recurrent expenditure on public hospital services, by source of funding, and share of funding, constant prices^(a), 2003–04 to 2013–14

Year	Australian Government		State/territory and local governments		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 (%)
2003–04	12,239	42.7	14,670	51.2	26,909	93.9	466	1.6	240	0.8	1,037	3.6	1,743	6.0	28,652	100.0
2004–05	12,763	41.7	15,684	51.3	28,448	93.1	519	1.7	378	1.2	1,199	3.9	2,096	6.8	30,544	100.0
2005–06	12,647	39.7	16,971	53.3	29,617	93.0	534	1.6	442	1.3	1,223	3.8	2,199	6.9	31,817	100.0
2006–07	12,997	38.4	18,434	54.4	31,431	92.9	584	1.7	299	0.8	1,515	4.4	2,398	7.0	33,829	100.0
2007–08	14,165	39.2	19,321	53.5	33,486	92.8	622	1.7	557	1.5	1,414	3.9	2,593	7.1	36,079	100.0
2008–09	16,027	42.0	19,061	49.9	35,088	92.0	702	1.8	1,113	2.9	1,223	3.2	3,037	7.9	38,125	100.0
2009–10	15,237	38.2	21,452	53.9	36,689	92.1	704	1.7	1,027	2.5	1,373	3.4	3,104	7.8	39,793	100.0
2010–11	16,734	39.6	21,963	51.9	38,696	91.6	725	1.7	1,258	2.9	1,561	3.6	3,544	8.3	42,240	100.0
2011–12	17,065	38.3	23,727	53.3	40,792	91.6	797	1.7	1,180	2.6	1,722	3.8	3,698	8.3	44,490	100.0
2012–13	16,689	37.3	23,885	53.4	40,574	90.8	928	2.0	1,343	3.0	1,801	4.0	4,072	9.1	44,647	100.0
2013–14	16,841	36.8	24,788	54.2	41,629	91.0	944	2.0	1,308	2.8	1,842	4.0	4,094	8.9	45,723	100.0

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 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 A11: Recurrent expenditure on private hospitals, by source of funding, and annual growth rates, constant prices^(a), 2003–04 to 2013–14

Year	Australian Government		State/territory and local governments		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 (%)
2003–04	2,820	..	298	..	3,118	..	3,940	..	350	..	667	..	4,956	..	8,075	..
2004–05	2,953	4.7	306	2.5	3,259	4.5	4,028	2.3	344	–1.7	723	8.5	5,096	2.8	8,355	3.5
2005–06	2,989	1.2	320	4.6	3,308	1.5	4,032	0.1	360	4.5	750	3.7	5,142	0.9	8,451	1.1
2006–07	3,032	1.5	313	–1.9	3,346	1.1	4,238	5.1	461	28.2	649	–13.4	5,348	4.0	8,694	2.9
2007–08	3,298	8.7	327	4.5	3,625	8.3	4,428	4.5	399	–13.5	675	3.9	5,502	2.9	9,128	5.0
2008–09	3,300	0.1	417	27.4	3,717	2.5	4,883	10.3	1,049	162.8	853	26.4	6,785	23.3	10,502	15.1
2009–10	3,642	10.4	426	2.2	4,069	9.5	4,950	1.4	1,350	28.7	684	–19.8	6,985	2.9	11,053	5.2
2010–11	3,770	3.5	496	16.3	4,265	4.8	5,293	6.9	1,461	8.2	663	–3.1	7,417	6.2	11,682	5.7
2011–12	4,034	7.0	529	6.7	4,563	7.0	5,436	2.7	1,411	–3.5	740	11.6	7,587	2.3	12,150	4.0
2012–13	3,736	–7.4	474	–10.4	4,210	–7.7	5,893	8.4	1,435	1.8	869	17.4	8,197	8.0	12,407	2.1
2013–14	3,943	5.5	507	7.0	4,450	5.7	6,344	7.7	1,343	–6.4	900	3.6	8,587	4.8	13,037	5.1
Average annual growth rate (%)																
2003–04 to 2008–09	..	3.2	..	6.9	..	3.6	..	4.4	..	24.5	..	5.1	..	6.5	..	5.4
2008–09 to 2013–14	..	3.6	..	4.0	..	3.7	..	5.4	..	5.1	..	1.1	..	4.8	..	4.4
2003–04 to 2013–14	..	3.4	..	5.5	..	3.6	..	4.9	..	14.4	..	3.1	..	5.7	..	4.9

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 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 A12: Australian Government funding of hospitals, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	752	726	796	792	815	736	615	712	760
2004–05	779	753	815	819	839	738	627	717	784
2005–06	765	735	803	779	843	731	616	847	770
2006–07	768	756	802	783	844	761	634	840	777
2007–08	823	805	844	832	892	948	738	880	831
2008–09	893	874	920	887	959	1,031	818	914	900
2009–10	863	822	882	859	917	1,041	765	942	863
2010–11	923	909	948	926	945	927	835	882	925
2011–12	936	937	953	887	975	926	910	979	937
2012–13	895	887	900	852	903	1,092	751	849	891
2013–14	890	874	909	862	882	1,130	1,035	735	892
Average annual growth rate (%)									
2003–04 to 2008–09	3.5	3.8	2.9	2.3	3.3	7.0	5.9	5.1	3.5
2008–09 to 2013–14	–0.1	—	–0.2	–0.6	–1.7	1.9	4.8	–4.3	–0.2
2003–04 to 2013–14	1.7	1.9	1.3	0.9	0.8	4.4	5.3	0.3	1.6

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A13: Australian Government funding of public hospital services, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	633	589	597	638	691	574	512	670	617
2004–05	656	612	613	654	706	588	522	675	637
2005–06	644	590	602	619	707	584	513	803	623
2006–07	645	611	604	623	710	612	528	795	630
2007–08	693	649	635	660	746	790	621	831	674
2008–09	764	722	718	720	819	874	706	866	746
2009–10	721	657	664	681	767	873	645	890	697
2010–11	776	743	730	738	791	760	717	822	755
2011–12	777	762	726	697	818	755	731	917	758
2012–13	748	726	691	681	759	927	694	789	728
2013–14	736	709	696	690	736	963	882	676	723
Average annual growth rate (%)									
2003–04 to 2008–09	3.8	4.1	3.7	2.4	3.5	8.8	6.7	5.3	3.9
2008–09 to 2013–14	–0.7	–0.4	–0.6	–0.8	–2.1	2.0	4.5	–4.8	–0.6
2003–04 to 2013–14	1.5	1.9	1.5	0.8	0.6	5.3	5.6	0.1	1.6

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A14: Australian Government funding of private hospitals, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	118	137	199	153	124	163	103	42	142
2004–05	123	141	202	165	133	150	105	42	147
2005–06	122	144	201	160	136	147	104	44	147
2006–07	123	145	197	160	134	149	106	45	147
2007–08	129	156	209	172	146	159	116	48	157
2008–09	129	152	202	167	140	156	112	48	154
2009–10	142	165	218	178	150	168	119	52	167
2010–11	147	167	218	188	154	167	118	60	170
2011–12	159	175	226	190	157	171	178	62	179
2012–13	147	161	208	171	144	164	57	60	163
2013–14	154	165	213	172	146	167	153	59	169
Average annual growth rate (%)									
2003–04 to 2008–09	1.7	2.2	0.3	1.8	2.5	–0.8	1.6	2.9	1.6
2008–09 to 2013–14	3.6	1.6	1.0	0.6	0.8	1.3	6.5	4.0	2.0
2003–04 to 2013–14	2.7	1.9	0.7	1.2	1.7	0.3	4.0	3.4	1.8

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A15: Australian Government recurrent funding of public hospital services and private hospitals, constant prices^(a), 2003–04 to 2013–14

Year	Public hospital services		Private hospitals		Total	
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)
2003–04	12,239	81.2	2,820	18.7	15,059	100.0
2004–05	12,763	81.2	2,953	18.7	15,717	100.0
2005–06	12,647	80.8	2,989	19.1	15,635	100.0
2006–07	12,997	81.0	3,032	18.9	16,029	100.0
2007–08	14,165	81.1	3,298	18.8	17,463	100.0
2008–09	16,027	82.9	3,300	17.0	19,327	100.0
2009–10	15,237	80.7	3,642	19.2	18,879	100.0
2010–11	16,734	81.6	3,770	18.3	20,503	100.0
2011–12	17,065	80.8	4,034	19.1	21,099	100.0
2012–13	16,689	81.7	3,736	18.2	20,425	100.0
2013–14	16,841	81.0	3,943	18.9	20,784	100.0

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A16: State and territory government funding of hospitals, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	848	699	645	795	716	508	877	1,409	755
2004–05	951	707	610	836	812	563	901	1,451	798
2005–06	930	756	760	903	848	720	1,215	1,603	851
2006–07	944	748	920	994	963	830	1,331	1,710	909
2007–08	901	801	981	1,063	1,059	804	1,401	1,736	935
2008–09	870	762	956	1,076	1,017	749	1,510	1,524	907
2009–10	952	926	1,048	1,068	1,103	801	1,622	1,454	1,001
2010–11	938	993	940	1,127	1,147	1,079	1,702	1,906	1,013
2011–12	993	972	995	1,351	1,333	1,044	1,821	2,067	1,077
2012–13	985	941	1,027	1,318	1,280	873	1,776	2,187	1,063
2013–14	1,042	977	1,010	1,251	1,407	792	1,620	2,330	1,086
Average annual growth rate (%)									
2003–04 to 2008–09	0.5	1.7	8.2	6.2	7.3	8.1	11.5	1.6	3.7
2008–09 to 2013–14	3.7	5.1	1.1	3.1	6.7	1.1	1.4	8.9	3.7
2003–04 to 2013–14	2.1	3.4	4.6	4.6	7.0	4.5	6.3	5.2	3.7

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A17: State and territory government funding of public hospital services, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	848	699	637	675	713	456	877	1,409	740
2004–05	951	707	601	720	808	503	901	1,451	782
2005–06	930	756	750	772	845	693	1,215	1,602	836
2006–07	944	748	910	876	959	789	1,331	1,708	894
2007–08	901	801	975	933	1,055	770	1,401	1,733	919
2008–09	870	748	949	946	1,013	720	1,508	1,518	888
2009–10	952	911	1,041	936	1,100	774	1,622	1,450	981
2010–11	938	978	934	970	1,143	1,056	1,699	1,899	991
2011–12	993	957	989	1,183	1,331	1,044	1,807	2,062	1,054
2012–13	985	941	1,016	1,151	1,277	873	1,767	2,187	1,042
2013–14	1,042	977	1,002	1,070	1,404	792	1,611	2,330	1,064
Average annual growth rate (%)									
2003–04 to 2008–09	0.5	1.3	8.3	7.0	7.3	9.5	11.5	1.5	3.7
2008–09 to 2013–14	3.7	5.5	1.1	2.5	6.7	1.9	1.3	9.0	3.7
2003–04 to 2013–14	2.1	3.4	4.6	4.7	7.0	5.7	6.3	5.2	3.7

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A18: State and territory government recurrent funding of public hospital services, and the public hospital services share of state and territory government funding for all hospitals, constant prices^(a), by state and territory, 2003–04 to 2013–14

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 (%)
2003–04	5,628	100.0	3,426	100.0	2,412	98.6	1,327	84.8	1,086	99.5	220	89.8	287	100.0	284	99.9	14,670	98.0
2004–05	6,342	100.0	3,507	100.0	2,325	98.4	1,435	86.0	1,239	99.5	244	89.2	297	100.0	296	99.9	15,684	98.0
2005–06	6,247	100.0	3,800	100.0	2,975	98.7	1,568	85.5	1,306	99.6	338	96.3	405	99.9	332	99.9	16,971	98.1
2006–07	6,409	100.0	3,817	100.0	3,693	98.9	1,819	88.0	1,497	99.5	388	95.0	450	99.9	360	99.9	18,434	98.3
2007–08	6,203	100.0	4,165	100.0	4,055	99.3	1,993	87.7	1,666	99.6	382	95.7	482	100.0	375	99.8	19,321	98.3
2008–09	6,094	100.0	3,972	98.0	4,057	99.2	2,090	87.9	1,619	99.6	361	96.0	529	99.8	338	99.5	19,061	97.8
2009–10	6,762	100.0	4,939	98.3	4,548	99.4	2,119	87.6	1,781	99.7	392	96.5	580	99.9	330	99.7	21,452	98.0
2010–11	6,735	100.0	5,372	98.4	4,143	99.3	2,249	86.0	1,867	99.7	539	97.8	620	99.8	437	99.6	21,963	97.7
2011–12	7,214	100.0	5,341	98.4	4,467	99.3	2,829	87.5	2,191	99.7	535	100.0	671	99.2	480	99.7	23,727	97.8
2012–13	7,244	100.0	5,343	100.0	4,683	98.9	2,854	87.3	2,123	99.7	448	100.0	668	99.4	523	100.0	23,885	98.0
2013–14	7,778	100.0	5,652	100.0	4,694	99.2	2,718	85.4	2,354	99.7	407	100.0	618	99.4	567	100.0	24,788	97.9

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A19: Non-government^(a) funding of hospitals, per person, constant prices^(b), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	344	367	298	335	312	359	407	233	338
2004–05	371	395	315	353	318	329	436	215	359
2005–06	346	401	347	375	325	355	381	334	361
2006–07	377	414	352	383	326	346	343	272	376
2007–08	381	402	368	412	368	397	378	295	385
2008–09	443	487	469	465	411	485	369	323	457
2009–10	448	510	479	471	395	337	311	280	461
2010–11	475	544	529	513	408	360	313	275	494
2011–12	494	564	566	360	427	474	316	292	501
2012–13	528	555	599	476	469	509	447	343	535
2013–14	535	562	605	498	486	556	379	375	544
Average annual growth rate (%)									
2003–04 to 2008–09	5.1	5.8	9.5	6.8	5.7	6.2	–1.9	6.8	6.2
2008–09 to 2013–14	3.9	2.9	5.2	1.4	3.4	2.7	0.5	3.0	3.5
2003–04 to 2013–14	4.5	4.4	7.3	4.1	4.5	4.5	–0.7	4.9	4.9

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

(b) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A20: Non-government^(a) funding of public hospital services, per person, constant prices^(b), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	126	109	26	50	51	88	148	36	88
2004–05	144	136	32	73	53	80	193	30	105
2005–06	130	148	48	91	55	99	174	87	108
2006–07	143	153	61	88	64	95	158	70	116
2007–08	149	141	79	93	102	107	216	75	123
2008–09	166	172	96	120	114	135	49	69	141
2009–10	173	168	113	106	104	52	50	64	142
2010–11	183	188	144	136	106	71	56	56	160
2011–12	189	201	184	48	114	83	62	41	164
2012–13	201	170	203	155	136	86	62	82	178
2013–14	199	159	196	168	141	105	69	103	176
Average annual growth rate (%)									
2003–04 to 2008–09	5.7	9.6	29.6	19.1	17.6	9.0	–19.9	13.6	10.0
2008–09 to 2013–14	3.7	–1.5	15.3	6.9	4.3	–4.9	7.2	8.4	4.4
2003–04 to 2013–14	4.7	3.9	22.2	12.8	10.7	1.8	–7.3	11.0	7.2

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

(b) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A21: Non-government^(a) recurrent funding of public hospital services, and the public hospital services share of non-government recurrent funding for all hospitals, constant prices^(b), by state and territory, 2003–04 to 2013–14

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 (%)
2003–04	835	36.5	534	29.7	100	8.8	99	15.0	77	16.2	42	24.5	48	36.3	7	15.6	1,743	26.0
2004–05	962	38.8	675	34.4	124	10.1	145	20.6	82	16.7	39	24.2	64	44.3	6	14.0	2,096	29.1
2005–06	872	37.5	744	36.9	189	13.7	186	24.3	85	16.9	48	27.9	58	45.6	18	26.1	2,199	29.9
2006–07	974	38.0	781	36.9	246	17.2	183	23.0	100	19.6	47	27.5	53	46.0	15	25.8	2,398	30.9
2007–08	1,027	39.1	732	35.0	330	21.5	199	22.6	161	27.7	53	26.8	74	57.1	16	25.2	2,593	32.0
2008–09	1,163	37.5	914	35.3	412	20.5	266	25.9	182	27.7	68	27.8	17	13.1	15	21.3	3,037	30.9
2009–10	1,229	38.6	913	33.0	495	23.6	240	22.5	169	26.3	26	15.5	18	15.9	15	22.7	3,104	30.7
2010–11	1,317	38.6	1,031	34.4	639	27.2	314	26.4	173	26.0	36	19.6	21	18.0	13	20.2	3,544	32.3
2011–12	1,370	38.1	1,122	35.6	829	32.4	115	13.4	188	26.6	42	17.4	23	19.7	10	14.0	3,698	32.7
2012–13	1,477	38.0	965	30.5	934	33.8	383	32.4	225	28.9	44	16.9	23	13.8	20	24.0	4,072	33.1
2013–14	1,484	37.1	922	28.3	919	32.3	427	33.7	236	29.0	54	18.9	26	18.1	25	27.5	4,094	32.2

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

(b) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A22: Private health insurance recurrent funding of public hospital services and private hospitals, constant prices^(a), 2003–04 to 2013–14

Year	Public hospital services		Private hospitals		Total	
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)
2003–04	466	10.5	3,940	89.4	4,405	100.0
2004–05	519	11.4	4,028	88.5	4,547	100.0
2005–06	534	11.6	4,032	88.3	4,567	100.0
2006–07	584	12.1	4,238	87.8	4,822	100.0
2007–08	622	12.3	4,428	87.6	5,050	100.0
2008–09	702	12.5	4,883	87.4	5,585	100.0
2009–10	704	12.4	4,950	87.5	5,655	100.0
2010–11	725	12.0	5,293	87.9	6,018	100.0
2011–12	797	12.7	5,436	87.2	6,233	100.0
2012–13	928	13.6	5,893	86.3	6,821	100.0
2013–14	944	12.9	6,344	87.0	7,289	100.0

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A23: Individuals' recurrent funding of public hospital services and private hospitals, constant prices^(a), 2003–04 to 2013–14

Year	Public hospital services		Private hospitals		Total	
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)
2003–04	240	40.6	350	59.3	590	100.0
2004–05	378	52.3	344	47.6	723	100.0
2005–06	442	55.1	360	44.8	802	100.0
2006–07	299	39.2	461	60.7	760	100.0
2007–08	557	58.2	399	41.7	956	100.0
2008–09	1,113	51.4	1,049	48.5	2,162	100.0
2009–10	1,027	43.1	1,350	56.8	2,377	100.0
2010–11	1,258	46.2	1,461	53.7	2,719	100.0
2011–12	1,180	45.5	1,411	54.4	2,591	100.0
2012–13	1,343	48.3	1,435	51.6	2,778	100.0
2013–14	1,308	49.3	1,343	50.6	2,650	100.0

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A24: Recurrent expenditure on primary health care, by source of funding, and share of funding, constant prices^(a), 2003–04 to 2013–14

Year	Australian Government		State/territory and local governments		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 (%)
2003–04	14,323	41.5	5,315	15.4	19,638	57.0	1,521	4.4	11,411	33.1	1,871	5.4	14,803	42.9	34,441	100.0
2004–05	15,491	42.4	5,481	15.0	20,972	57.4	1,493	4.0	12,168	33.3	1,873	5.1	15,533	42.5	36,505	100.0
2005–06	15,277	41.4	5,763	15.6	21,041	57.0	1,523	4.1	12,564	34.0	1,759	4.7	15,846	42.9	36,887	100.0
2006–07	16,233	41.5	6,237	15.9	22,469	57.5	1,577	4.0	13,299	34.0	1,706	4.3	16,582	42.4	39,051	100.0
2007–08	18,459	43.6	6,718	15.9	25,177	59.5	1,626	3.8	13,597	32.1	1,851	4.3	17,073	40.4	42,250	100.0
2008–09	19,494	44.2	7,015	15.9	26,509	60.1	1,751	3.9	14,044	31.8	1,798	4.0	17,594	39.8	44,103	100.0
2009–10	20,868	45.2	6,939	15.0	27,807	60.2	1,730	3.7	14,766	31.9	1,859	4.0	18,355	39.7	46,162	100.0
2010–11	22,238	44.7	7,093	14.2	29,332	59.0	1,791	3.6	16,680	33.5	1,859	3.7	20,330	40.9	49,661	100.0
2011–12	23,520	44.8	7,517	14.3	31,037	59.1	1,867	3.5	17,621	33.6	1,916	3.6	21,404	40.8	52,441	100.0
2012–13	23,067	42.8	7,668	14.2	30,735	57.0	2,154	3.9	18,843	34.9	2,129	3.9	23,126	42.9	53,861	100.0
2013–14	23,334	42.6	7,692	14.0	31,026	56.6	2,323	4.2	19,358	35.3	2,023	3.6	23,704	43.3	54,730	100.0

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 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 A25: Australian Government funding of primary health care, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	742	695	709	685	774	787	690	891	722
2004–05	796	739	773	726	829	831	629	978	773
2005–06	773	720	752	698	816	817	638	950	752
2006–07	810	747	792	727	842	840	728	1,060	787
2007–08	905	844	863	797	934	943	881	1,367	878
2008–09	955	869	886	803	964	979	792	1,435	908
2009–10	999	916	939	826	1,031	1,063	781	1,542	954
2010–11	1,041	960	988	875	1,092	1,231	819	1,584	1,003
2011–12	1,074	990	1,049	903	1,155	1,181	986	1,794	1,044
2012–13	1,058	964	1,023	836	1,080	1,049	856	1,511	1,006
2013–14	1,034	953	1,032	849	1,072	1,106	956	1,546	1,002
Average annual growth rate (%)									
2003–04 to 2008–09	5.2	4.6	4.6	3.2	4.5	4.5	2.8	10.0	4.7
2008–09 to 2013–14	1.6	1.9	3.1	1.1	2.1	2.5	3.8	1.5	2.0
2003–04 to 2013–14	3.4	3.2	3.8	2.2	3.3	3.5	3.3	5.7	3.3

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A26: State and territory government funding of primary health care, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	226	215	275	372	325	255	520	1,005	268
2004–05	229	214	284	386	334	270	517	1,012	273
2005–06	260	223	311	313	330	263	500	1,063	284
2006–07	274	235	307	427	319	353	458	1,022	302
2007–08	277	239	358	413	363	430	502	1,121	320
2008–09	271	233	394	384	380	422	516	1,545	327
2009–10	235	223	444	360	402	387	546	1,167	317
2010–11	259	166	442	364	458	351	555	1,662	320
2011–12	265	164	492	357	502	324	558	1,728	334
2012–13	261	166	500	349	513	280	577	1,766	335
2013–14	259	166	516	366	491	286	575	1,082	330
Average annual growth rate (%)									
2003–04 to 2008–09	3.8	1.6	7.5	0.6	3.2	10.6	–0.1	9.0	4.0
2008–09 to 2013–14	–0.9	–6.6	5.5	–1.0	5.2	–7.5	2.2	–6.9	0.2
2003–04 to 2013–14	1.4	–2.6	6.5	–0.2	4.2	1.1	1.0	0.7	2.1

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A27: Non-government^(a) funding of primary health care, per person, constant prices^(b), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	773	850	637	706	680	609	800	593	747
2004–05	796	878	683	727	693	635	841	638	775
2005–06	798	888	684	732	715	644	832	632	780
2006–07	814	922	735	749	663	686	885	688	804
2007–08	828	892	750	818	698	695	802	684	812
2008–09	835	893	749	871	687	705	767	685	819
2009–10	836	937	770	886	724	728	768	697	839
2010–11	950	1,013	792	913	843	867	891	730	917
2011–12	957	1,075	824	962	856	985	913	764	950
2012–13	1,032	1,131	877	992	916	1,051	948	783	1,009
2013–14	1,046	1,138	878	1,003	924	1,070	945	789	1,018
Average annual growth rate (%)									
2003–04 to 2008–09	1.6	1.0	3.3	4.3	0.2	3.0	–0.8	2.9	1.9
2008–09 to 2013–14	4.6	5.0	3.2	2.9	6.1	8.7	4.2	2.9	4.4
2003–04 to 2013–14	3.1	3.0	3.3	3.6	3.1	5.8	1.7	2.9	3.1

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

(b) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A28: Benefit-paid pharmaceuticals recurrent expenditure (constant prices^(a)) and prescription volume (number), 2003–04 to 2013–14

Year	Benefit-paid pharmaceuticals recurrent expenditure (\$m)	Pharmaceutical Benefits Scheme prescription volume (number)
2003–04	6,710	165,435,125
2004–05	7,122	169,877,010
2005–06	7,338	167,926,527
2006–07	7,565	168,175,157
2007–08	8,156	170,959,841
2008–09	8,945	181,468,131
2009–10	9,612	183,579,193
2010–11	9,804	187,804,540
2011–12	10,125	194,548,705
2012–13	9,952	196,953,259
2013–14	10,050	209,452,240

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; DoH 2015.

Table A29: Recurrent expenditure on primary health care, by area of expenditure and source of funding, current prices, 2013–14 (\$ million)

Area of expenditure	Government						Non-government				
	Australian Government										
	DVA	Health and other ^(a)	Premium rebates ^(b)	Total	State/territory and local	Total	Health insurance funds	Individuals	Other ^(c)	Total	Total recurrent expenditure
Medical services (unreferred)	857	7,837	..	8,694	..	8,694	..	686	1,217	1,903	10,597
Dental services	109	503	664	1,275	713	1,989	1,547	5,336	43	6,925	8,914
Other health practitioners	256	1,253	312	1,822	9	1,831	726	2,490	372	3,589	5,420
Community health and other ^(d)	1	1,252	—	1,253	6,155	7,408	1	224	185	409	7,817
Public health	..	1,251	..	1,251	815	2,066	..	26	128	153	2,220
Medications	406	8,612	21	9,039	..	9,039	49	10,597	78	10,724	19,763
Benefit-paid pharmaceuticals	406	8,047	..	8,452	..	8,452	..	1,598	..	1,598	10,050
All other medications	..	566	21	587	..	587	49	8,999	78	9,126	9,713
Total recurrent funding	1,628	20,708	997	23,334	7,692	31,026	2,323	19,358	2,023	23,704	54,730

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

(b) Includes the 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.

(d) *Other* includes recurrent health expenditure that could not be allocated to a specific area of expenditure. For example, expenditure by substance abuse treatment centres, providers of general health administration or providers of regional health services not further defined.

Source: AIHW health expenditure database.

Table A30: Recurrent funding of primary health care, by area of expenditure, and share of funding, constant prices^(a), 2003–04 to 2013–14

Year	Medical services (unreferred)		Dental services		Other health practitioners		Community health and other ^(b)		Public health		Benefit-paid pharmaceuticals		All other medications		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 (%)
2003–04	7,343	21.3	6,236	18.1	3,647	10.5	4,874	14.1	1,815	5.2	6,710	19.4	3,816	11.0	34,441	100.0
2004–05	7,776	21.3	6,398	17.5	3,743	10.2	5,144	14.0	2,017	5.5	7,122	19.5	4,304	11.7	36,505	100.0
2005–06	7,508	20.3	6,489	17.5	3,874	10.5	5,325	14.4	1,961	5.3	7,338	19.8	4,392	11.9	36,887	100.0
2006–07	7,745	19.8	6,580	16.8	4,092	10.4	5,757	14.7	2,195	5.6	7,565	19.3	5,118	13.1	39,051	100.0
2007–08	8,541	20.2	6,718	15.9	4,221	9.9	6,355	15.0	2,662	6.3	8,156	19.3	5,595	13.2	42,250	100.0
2008–09	8,617	19.5	7,243	16.4	4,115	9.3	6,263	14.2	2,552	5.7	8,945	20.2	6,368	14.4	44,103	100.0
2009–10	9,141	19.8	7,582	16.4	4,380	9.4	6,475	14.0	2,204	4.7	9,612	20.8	6,767	14.6	46,162	100.0
2010–11	9,791	19.7	8,123	16.3	4,933	9.9	6,842	13.7	2,112	4.2	9,804	19.7	8,057	16.2	49,661	100.0
2011–12	9,998	19.0	8,595	16.3	5,106	9.7	7,515	14.3	2,377	4.5	10,125	19.3	8,725	16.6	52,441	100.0
2012–13	10,338	19.1	8,819	16.3	5,422	10.0	7,658	14.2	2,203	4.0	9,952	18.4	9,470	17.5	53,861	100.0
2013–14	10,597	19.3	8,914	16.2	5,420	9.9	7,817	14.2	2,220	4.0	10,050	18.3	9,713	17.7	54,730	100.0

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

(b) *Other* includes recurrent health expenditure that could not be allocated to a specific area of expenditure. For example, expenditure by substance abuse treatment centres, providers of general health administration or providers of regional health services not further defined.

Source: AIHW health expenditure database.

Table A31: Recurrent expenditure for *Other health goods and services*, by source of funding, and annual growth rates, constant prices^(a), 2003–04 to 2013–14

Year	Australian Government		State/territory and local governments		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 (%)
2003–04	11,602	..	2,045	..	13,647	..	1,996	..	3,469	..	324	..	5,789	..	19,436	..
2004–05	12,395	6.8	2,296	12.3	14,691	7.7	1,994	–0.1	3,544	2.1	332	2.5	5,870	1.4	20,561	5.8
2005–06	12,829	3.5	2,203	–4.1	15,032	2.3	2,039	2.2	3,708	4.6	348	4.9	6,095	3.8	21,127	2.8
2006–07	13,356	4.1	2,260	2.6	15,616	3.9	2,182	7.0	4,043	9.0	360	3.3	6,585	8.0	22,201	5.1
2007–08	14,465	8.3	2,358	4.3	16,823	7.7	2,423	11.1	4,138	2.4	376	4.6	6,938	5.4	23,761	7.0
2008–09	15,878	9.8	2,960	25.5	18,838	12.0	2,577	6.4	4,459	7.8	512	36.0	7,548	8.8	26,386	11.1
2009–10	16,596	4.5	3,155	6.6	19,751	4.8	2,551	–1.0	4,816	8.0	473	–7.6	7,840	3.9	27,591	4.6
2010–11	16,870	1.7	3,366	6.7	20,236	2.5	2,743	7.5	5,132	6.6	450	–4.9	8,325	6.2	28,561	3.5
2011–12	18,363	8.9	3,302	–1.9	21,665	7.1	2,887	5.2	5,219	1.7	441	–2.0	8,546	2.7	30,211	5.8
2012–13	18,206	–0.9	3,180	–3.7	21,387	–1.3	3,147	9.0	5,357	2.7	453	2.7	8,957	4.8	30,344	0.4
2013–14	19,308	6.1	3,362	5.7	22,670	6.0	3,265	3.8	5,622	4.9	461	1.8	9,348	4.4	32,018	5.5
Average annual growth rate (%)																
2003–04 to 2008–09	..	6.5	..	7.7	..	6.7	..	5.3	..	5.1	..	9.6	..	5.5	..	6.3
2008–09 to 2013–14	..	4.0	..	2.6	..	3.8	..	4.8	..	4.7	..	–2.1	..	4.4	..	3.9
2003–04 to 2013–14	..	5.2	..	5.1	..	5.2	..	5.0	..	4.9	..	3.6	..	4.9	..	5.1

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 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: Recurrent funding for *Other health goods and services*, by area of expenditure, and share of total *Other health goods and services* expenditure, constant prices^(a), 2003–04 to 2013–14

Year	Patient transport services		Referred medical services		Aids and appliances		Administration		Research		Total
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)
2003–04	1,823	9.4	10,038	51.6	2,169	11.2	3,172	16.3	2,234	11.5	19,436
2004–05	1,936	9.4	10,518	51.2	2,381	11.6	3,315	16.1	2,411	11.7	20,561
2005–06	1,926	9.1	10,815	51.2	2,481	11.7	3,181	15.1	2,724	12.9	21,127
2006–07	2,165	9.8	11,424	51.5	2,623	11.8	3,017	13.6	2,971	13.4	22,201
2007–08	2,351	9.9	12,249	51.6	2,626	11.1	3,204	13.5	3,330	14.0	23,761
2008–09	2,723	10.3	13,022	49.4	2,807	10.6	3,533	13.4	4,301	16.3	26,386
2009–10	2,842	10.3	13,597	49.3	3,158	11.4	3,230	11.7	4,765	17.3	27,591
2010–11	3,018	10.6	14,010	49.1	3,518	12.3	3,292	11.5	4,723	16.5	28,561
2011–12	3,165	10.5	14,822	49.1	3,624	12.0	3,629	12.0	4,972	16.5	30,211
2012–13	3,096	10.2	15,413	50.8	3,745	12.3	3,042	10.0	5,049	16.6	30,344
2013–14	3,188	10.0	16,140	50.4	3,987	12.5	3,360	10.5	5,343	16.7	32,018

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A33: Recurrent expenditure on patient transport services, by source of funding, and annual growth rates, constant prices^(a), 2003–04 to 2013–14

Year	Australian Government		State/territory and local governments		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 (%)
2003–04	193	..	1,164	..	1,357	..	125	..	240	..	101	..	466	..	1,823	..
2004–05	212	9.8	1,252	7.6	1,464	7.9	128	2.2	247	2.8	98	–3.1	472	1.4	1,936	6.2
2005–06	203	–4.3	1,250	–0.2	1,453	–0.8	120	–5.6	262	6.2	91	–7.0	473	0.3	1,926	–0.5
2006–07	228	12.8	1,444	15.5	1,673	15.1	127	5.8	282	7.6	83	–8.7	493	4.0	2,165	12.4
2007–08	297	29.9	1,522	5.4	1,819	8.7	149	16.9	303	7.5	80	–3.4	532	8.1	2,351	8.6
2008–09	305	2.6	1,776	16.7	2,080	14.4	166	11.3	376	24.0	101	25.4	643	20.7	2,723	15.8
2009–10	309	1.5	1,848	4.1	2,157	3.7	171	3.2	389	3.4	124	23.4	684	6.5	2,842	4.4
2010–11	308	–0.4	2,031	9.9	2,339	8.4	176	2.8	393	1.0	110	–11.4	679	–0.8	3,018	6.2
2011–12	310	0.6	2,206	8.6	2,516	7.6	178	0.9	370	–5.8	101	–8.0	649	–4.4	3,165	4.9
2012–13	306	–1.2	2,125	–3.7	2,430	–3.4	200	12.7	362	–2.1	103	1.5	665	2.5	3,096	–2.2
2013–14	304	–0.5	2,196	3.3	2,500	2.9	183	–8.7	402	10.8	104	1.4	689	3.5	3,188	3.0
Average annual growth rate (%)																
2003–04 to 2008–09	..	9.6	..	8.8	..	8.9	..	5.8	..	9.4	..	–0.1	..	6.6	..	8.4
2008–09 to 2013–14	..	—	..	4.3	..	3.7	..	1.9	..	1.3	..	0.7	..	1.4	..	3.2
2003–04 to 2013–14	..	4.7	..	6.6	..	6.3	..	3.9	..	5.3	..	0.3	..	4.0	..	5.8

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 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: Recurrent expenditure on referred medical services, by source of funding, and annual growth rates, constant prices^(a), 2003–04 to 2013–14

Year	Australian Government		Total government		Private health insurance		Individuals		Total non-government ^(b)		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2003–04	7,725	..	7,725	..	756	..	1,556	..	2,312	..	10,038	..
2004–05	8,233	6.6	8,233	6.6	760	0.5	1,524	–2.0	2,285	–1.2	10,518	4.8
2005–06	8,429	2.4	8,429	2.4	788	3.6	1,598	4.9	2,386	4.4	10,815	2.8
2006–07	8,773	4.1	8,773	4.1	843	7.0	1,809	13.2	2,652	11.1	11,424	5.6
2007–08	9,400	7.1	9,400	7.1	924	9.6	1,926	6.5	2,850	7.5	12,249	7.2
2008–09	9,961	6.0	9,961	6.0	1,006	8.9	2,055	6.7	3,061	7.4	13,022	6.3
2009–10	10,358	4.0	10,358	4.0	1,026	2.0	2,214	7.7	3,239	5.8	13,597	4.4
2010–11	10,582	2.2	10,582	2.2	1,113	8.5	2,315	4.6	3,428	5.8	14,010	3.0
2011–12	11,245	6.3	11,245	6.3	1,169	5.0	2,408	4.0	3,577	4.3	14,822	5.8
2012–13	11,642	3.5	11,642	3.5	1,302	11.3	2,469	2.6	3,771	5.4	15,413	4.0
2013–14	12,182	4.6	12,182	4.6	1,374	5.5	2,584	4.7	3,958	5.0	16,140	4.7
Average annual growth rate (%)												
2003–04 to 2008–09	..	5.2	..	5.2	..	5.9	..	5.7	..	5.8	..	5.3
2008–09 to 2013–14	..	4.1	..	4.1	..	6.4	..	4.7	..	5.3	..	4.4
2003–04 to 2013–14	..	4.7	..	4.7	..	6.1	..	5.2	..	5.5	..	4.9

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

(b) *Non-government funding* includes funding from private health insurers, out-of-pocket expenses paid by individuals, and 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 A35: Recurrent expenditure on aids and appliances, by source of funding, and annual growth rates, constant prices^(a), 2003–04 to 2013–14

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 (%)
2003–04	220	..	220	..	244	..	1,674	..	32	..	1,949	..	2,169	..
2004–05	335	52.2	335	52.2	240	–1.7	1,773	5.9	33	5.4	2,046	5.0	2,381	9.8
2005–06	352	5.0	352	5.0	245	1.9	1,847	4.2	37	11.8	2,129	4.1	2,481	4.2
2006–07	370	5.2	370	5.2	262	7.2	1,952	5.7	39	4.6	2,253	5.8	2,623	5.8
2007–08	405	9.5	405	9.5	274	4.5	1,909	–2.2	38	–2.2	2,221	–1.4	2,626	0.1
2008–09	448	10.6	448	10.6	312	14.0	2,005	5.0	42	10.5	2,359	6.2	2,807	6.9
2009–10	544	21.3	544	21.3	355	13.7	2,213	10.4	45	7.4	2,614	10.8	3,158	12.5
2010–11	629	15.8	629	15.8	414	16.6	2,421	9.4	54	18.8	2,889	10.5	3,518	11.4
2011–12	680	8.0	680	8.0	445	7.6	2,436	0.6	63	16.8	2,944	1.9	3,624	3.0
2012–13	654	–3.8	654	–3.8	515	15.6	2,518	3.4	58	–8.4	3,090	5.0	3,745	3.3
2013–14	707	8.1	707	8.1	575	11.7	2,627	4.4	77	34.1	3,280	6.1	3,987	6.5
Average annual growth rate (%)														
2003–04 to 2008–09	..	15.3	..	15.3	..	5.0	..	3.7	..	5.9	..	3.9	..	5.3
2008–09 to 2013–14	..	9.5	..	9.5	..	13.0	..	5.6	..	12.9	..	6.8	..	7.3
2003–04 to 2013–14	..	12.4	..	12.4	..	8.9	..	4.6	..	9.3	..	5.3	..	6.3

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 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 A36: Individuals' funding of aids and appliances, constant prices^(a), per person, by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	58	101	85	136	91	76	52	56	84
2004–05	58	105	89	154	93	79	53	59	88
2005–06	60	108	90	161	95	86	54	60	91
2006–07	61	111	94	173	98	91	56	64	95
2007–08	61	100	91	170	96	88	56	60	91
2008–09	59	112	91	182	79	91	54	64	93
2009–10	61	125	101	192	85	101	56	66	101
2010–11	65	138	108	206	90	105	58	74	109
2011–12	64	139	105	203	90	100	56	67	108
2012–13	65	143	106	200	93	102	59	65	110
2013–14	67	145	110	206	95	103	60	62	113
Average annual growth rate (%)									
2003–04 to 2008–09	0.6	2.0	1.3	6.0	–2.8	3.6	0.6	2.7	2.0
2008–09 to 2013–14	2.5	5.4	3.9	2.5	3.7	2.5	2.2	–0.7	3.9
2003–04 to 2013–14	1.5	3.7	2.5	4.2	0.4	3.0	1.4	1.0	2.9

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Sources: AIHW health expenditure database; ABS 2015.

Table A37: Recurrent expenditure on health administration, by source of funding, and annual growth rates, constant prices^(a), 2003–04 to 2013–14

Year	Australian Government		State/territory and local governments		Total government		Total non-government ^(b)		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2003–04	1,717	..	585	..	2,302	..	870	..	3,172	..
2004–05	1,728	0.6	721	23.3	2,449	6.4	866	–0.4	3,315	4.5
2005–06	1,705	–1.3	590	–18.1	2,295	–6.3	886	2.3	3,181	–4.0
2006–07	1,663	–2.5	404	–31.5	2,067	–9.9	950	7.2	3,017	–5.2
2007–08	1,762	6.0	365	–9.6	2,127	2.9	1,077	13.4	3,204	6.2
2008–09	1,935	9.8	459	25.8	2,394	12.6	1,138	5.7	3,533	10.3
2009–10	1,735	–10.3	476	3.5	2,211	–7.7	1,019	–10.4	3,230	–8.6
2010–11	1,756	1.2	489	2.9	2,245	1.5	1,047	2.7	3,292	1.9
2011–12	2,211	25.9	320	–34.5	2,532	12.7	1,097	4.8	3,629	10.2
2012–13	1,664	–24.7	243	–24.0	1,907	–24.7	1,134	3.4	3,042	–16.2
2013–14	1,873	12.6	348	43.1	2,221	16.5	1,138	0.4	3,360	10.5
Average annual growth rate (%)										
2003–04 to 2008–09	..	2.4	..	–4.7	..	0.8	..	5.5	..	2.2
2008–09 to 2013–14	..	–0.6	..	–5.4	..	–1.5	..	—	..	–1.0
2003–04 to 2013–14	..	0.9	..	–5.0	..	–0.4	..	2.7	..	0.6

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

(b) *Non-government funding* includes funding from private health insurers, out-of-pocket expenses paid by individuals, and 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 A38: Recurrent expenditure on health research, by source of funding, and annual growth rates, constant prices^(a), 2003–04 to 2013–14

Year	Australian Government		State/territory and local governments		Total government		Total non-government ^(b)		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2003–04	1,747	..	296	..	2,043	..	191	..	2,234	..
2004–05	1,887	8.1	323	9.0	2,210	8.2	200	5.0	2,411	7.9
2005–06	2,142	13.5	362	12.1	2,504	13.3	220	9.6	2,724	13.0
2006–07	2,322	8.4	411	13.6	2,733	9.2	238	8.1	2,971	9.1
2007–08	2,601	12.0	471	14.5	3,072	12.4	258	8.5	3,330	12.1
2008–09	3,229	24.1	725	53.9	3,954	28.7	348	34.9	4,301	29.2
2009–10	3,650	13.0	831	14.8	4,481	13.3	284	–18.4	4,765	10.8
2010–11	3,595	–1.5	846	1.8	4,441	–0.9	282	–0.6	4,723	–0.9
2011–12	3,917	9.0	776	–8.3	4,693	5.7	279	–1.1	4,972	5.3
2012–13	3,941	0.6	813	4.7	4,753	1.3	296	6.0	5,049	1.5
2013–14	4,242	7.6	818	0.7	5,060	6.5	283	–4.3	5,343	5.8
Average annual growth rate (%)										
2003–04 to 2008–09	..	13.1	..	19.6	..	14.1	..	12.7	..	14.0
2008–09 to 2013–14	..	5.6	..	2.5	..	5.1	..	–4.0	..	4.4
2003–04 to 2013–14	..	9.3	..	10.7	..	9.5	..	4.0	..	9.1

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

(b) *Non-government funding* includes funding from private health insurers, out-of-pocket expenses paid by individuals, and 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 A39: Total funding for all pharmaceuticals, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	534	546	535	492	558	566	412	292	531
2004–05	570	593	587	508	586	594	440	324	570
2005–06	578	603	586	519	600	614	440	327	578
2006–07	613	640	630	556	633	659	467	348	615
2007–08	655	670	667	609	682	704	516	376	654
2008–09	717	728	727	658	744	767	552	412	713
2009–10	757	763	763	682	791	813	582	432	749
2010–11	841	819	772	712	887	905	629	445	806
2011–12	871	836	814	757	908	1,062	593	455	837
2012–13	889	845	830	741	927	1,086	594	434	847
2013–14	892	846	828	738	925	1,110	600	441	848

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A40: Medicare funding for primary health care, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	233	222	217	209	226	208	199	137	222
2004–05	244	229	226	210	231	211	202	138	230
2005–06	260	245	240	222	250	226	212	143	245
2006–07	265	250	240	219	251	228	225	148	248
2007–08	282	270	255	229	267	246	240	157	264
2008–09	282	266	255	221	268	243	238	159	262
2009–10	290	277	266	228	284	255	246	168	272
2010–11	296	287	277	228	290	486	248	184	285
2011–12	305	292	286	230	299	274	256	190	287
2012–13	307	299	295	236	301	280	261	199	292
2013–14	316	310	304	247	307	289	269	220	301

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A41: Medicare funding for *Other health goods and services*, per person, constant prices^(a), by state and territory, 2003–04 to 2013–14 (\$)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
2003–04	538	505	502	478	482	437	518	203	506
2004–05	562	515	529	487	497	441	542	209	525
2005–06	564	522	549	494	504	446	549	212	532
2006–07	591	547	561	509	524	462	581	206	554
2007–08	636	580	569	529	547	510	541	255	583
2008–09	658	630	581	529	568	513	556	262	606
2009–10	685	620	599	549	596	560	555	274	622
2010–11	682	632	632	546	614	539	635	235	632
2011–12	728	655	650	559	623	575	563	301	658
2012–13	743	671	668	561	634	607	590	326	672
2013–14	764	688	695	580	646	627	607	346	693

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

Source: AIHW health expenditure database.

Table A42: Capital expenditure, by owner of asset, constant prices^(a), 2003–04 to 2013–14 (\$ million)

Year	Australian Government		State/territory and local governments		Total non-government ^(b)		Total	
	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)	Amount (\$m)	Growth (%)
2003–04	104	..	1,393	..	2,832	..	4,328	..
2004–05	140	35.2	2,008	44.2	2,901	2.5	5,049	16.7
2005–06	102	–27.6	2,237	11.4	2,995	3.2	5,333	5.6
2006–07	114	12.4	2,419	8.1	3,487	16.4	6,020	12.9
2007–08	106	–7.1	2,109	–12.8	3,615	3.7	5,830	–3.1
2008–09	91	–14.0	2,712	28.6	3,785	4.7	6,589	13.0
2009–10	131	43.2	2,909	7.2	2,942	–22.3	5,981	–9.2
2010–11	134	2.5	4,268	46.7	3,279	11.5	7,681	28.4
2011–12	218	62.8	5,210	22.1	3,584	9.3	9,012	17.3
2012–13	72	–66.9	5,141	–1.3	3,514	–1.9	8,727	–3.2
2013–14	49	–32.1	4,783	–7.0	4,282	21.9	9,114	4.4
Average annual growth rate (%)								
2003–04 to 2008–09	..	–2.5	..	14.3	..	6.0	..	8.8
2008–09 to 2013–14	..	–11.7	..	12.0	..	2.5	..	6.7
2003–04 to 2013–14	..	–7.2	..	13.1	..	4.2	..	7.7

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 prices.

(b) *Non-government funding* includes funding from private health insurers, out-of-pocket expenses paid by individuals, and 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.

Appendix B: Technical notes

For this publication, all expenditure that had been reported in *Health expenditure Australia 2013–14* (AIHW 2015) and in the online health expenditure data cubes for years 2003–04 to 2013–14 (available at <<http://www.aihw.gov.au/expenditure-data/>>) has been allocated to 4 broad categories:

- *Hospitals* (recurrent expenditure)
- *Primary health care* (recurrent expenditure)
- *Other health goods and services* (*Other recurrent*; recurrent expenditure)
- *Capital expenditure*.

This allocation was based on the areas of expenditure categories historically used in the *Health expenditure Australia* series in accordance with Table B1 below.

Table B1: Categorisation of areas of expenditure into *Hospitals*, *Primary health care*, *Other recurrent* and *Capital expenditure*, 2013–14

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 ^(b)	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.

(b) *Other* includes recurrent health expenditure that could not be allocated to a specific area of expenditure. For example, expenditure by substance abuse treatment centres, providers of general health administration or providers of regional health services not further defined.

Source: AIHW health expenditure database.

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 type of Medicare services to either *Primary health care* or to *Other recurrent expenditure*.

Table B2: Categorisation of Medicare broad type of services^(a) to *Primary health care* and *Other recurrent*, 2013–14

Medicare broad type of service category	Categorisation	Share of total Medicare medical services expenditure in 2013–14 (%)	Share of total medical services expenditure in 2013–14 (%)
Unreferred attendances: GP/VRGP attendances	Primary health care	25.1	21.7
Unreferred attendances: enhanced primary care attendances	Primary health care	4.4	3.8
Unreferred attendances: other unreferred attendances	Primary health care	0.8	0.7
Unreferred attendances: practice nurse	Primary health care	0.1	0.1
Specialist attendances	Other recurrent	13.6	11.8
Obstetrics	Other recurrent	2.1	1.8
Anaesthetics	Other recurrent	4.2	3.7
Pathology episode initiation	Other recurrent	1.4	1.2
Pathology	Other recurrent	10.2	8.8
Diagnostic imaging	Other recurrent	14.7	12.7
Operations	Other recurrent	13.6	11.8
Assistance at operations	Other recurrent	0.7	0.6
Radiotherapy and therapeutic nuclear medicine	Other recurrent	1.4	1.2
Other MBS	Other recurrent	7.8	6.7
Total		100.0	86.6

(a) Excludes dental, allied health and optometry because they are not classed as medical services in the Medicare Benefits Schedule.

Source: AIHW health expenditure database.

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 benefits for medical services received in 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* health 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* health expenditure between 2003–04 and 2013–14.

Table B3: Recurrent expenditure on medical services, by broad area of expenditure, constant prices^(a), 2003–04 to 2013–14

Year	Primary health care		Other recurrent		Total	
	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)	Amount (\$m)	Share (%)
2003–04	7,343	42.2	10,038	57.7	17,381	100.0
2004–05	7,776	42.5	10,518	57.4	18,294	100.0
2005–06	7,508	40.9	10,815	59.0	18,323	100.0
2006–07	7,745	40.4	11,424	59.5	19,169	100.0
2007–08	8,541	41.0	12,249	58.9	20,791	100.0
2008–09	8,617	39.8	13,022	60.1	21,639	100.0
2009–10	9,141	40.2	13,597	59.7	22,738	100.0
2010–11	9,791	41.1	14,010	58.8	23,801	100.0
2011–12	9,998	40.2	14,822	59.7	24,819	100.0
2012–13	10,338	40.1	15,413	59.8	25,750	100.0
2013–14	10,597	39.6	16,140	60.3	26,737	100.0

(a) Constant price health expenditure for 2003–04 to 2013–14 is expressed in terms of 2013–14 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 are 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.

all other medications: Pharmaceuticals for which no Pharmaceutical Benefits Scheme (PBS) or Repatriation Pharmaceutical Benefits Scheme (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
- 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.

Australian Government health expenditure: Total expenditure that the Australian Government actually incurs 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 (of the Constitution) grants to states and territories. This includes the private health insurance premium rebate (see **rebates on health insurance premiums**).

average annual growth rate: To calculate the average annual growth rate in health expenditure between 2003–04 and 2013–14, the following formula applies:
$$\left(\frac{\$ \text{ million in 2013–14}}{\$ \text{ million in 2003–04}} \right)^{(1/10)} - 1 \times 100.$$

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) (see **recurrent expenditure**).

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 Australian Bureau of Statistics 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 longer than 1 year. See *Australian national accounts: concepts, sources and methods* (ABS 2000, 2013) for further details (see **capital expenditure**).

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 that establishments offer 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, and 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 2013–14 in this report. Constant price estimates indicate what expenditure would have been had 2013–14 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 that registered dental practitioners provide, 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 Medicare Benefits Schedule.

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

It includes only those administrative services that cannot be allocated to a particular health good and service. Such 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), Australian Government Department of Veterans' Affairs, 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.

They exclude medical services provided to public admitted patients in public hospital services and medical services provided to public patients at outpatient clinics in public hospital services.

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. From July 2012, the tax rebate is income

tested. In March 2014, eligibility for the tax rebate changed, restricting who can claim and what medical expenses can be claimed. In 2013–14, taxpayers who did not receive the tax rebate in 2012–13 were only able to claim medical expenses relating to disability aids, attendant care or aged care. Those taxpayers who did receive the tax rebate in 2012–13 continued to be eligible for the rebate in 2013–14 if they had eligible out-of-pocket medical expenses above the relevant claim threshold.

Taxpayers with an adjusted taxable income above \$88,000 for singles and \$176,000 (plus \$1,500 for each dependent child after the first) for a couple or family in 2013–14 were able to claim a reimbursement of 10 cents in the dollar for eligible out-of-pocket expenses incurred in excess of \$5,100. Taxpayers with an adjusted taxable income below these thresholds were able to continue to claim a reimbursement of 20 cents in the dollar for eligible out-of-pocket expenses incurred above the \$2,162 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 National Health Accounts 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 that health practitioners (other than doctors and dentists) provide. These include chiropractors, optometrists, physiotherapists, speech therapists, audiologists, dieticians, podiatrists, homeopaths, naturopaths, practitioners of Chinese medicine and other forms of traditional medicine.

over-the-counter medicines: Therapeutic medicinal preparations that are primarily 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. Patient transport services include public ambulance services or flying doctor services; such as the 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 hospital services.

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 (see **Repatriation Pharmaceutical Benefits Scheme**).

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: 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 (see **rebates of health insurance premiums**).

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 (see **public hospital**). 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: The core 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 diseases 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.

Public health services until 2008–09 also include departmental costs for the following Commonwealth 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 hospital services 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's or territory's legislation to provide or facilitate the provision of hospital services to patients. Public hospital services include some denominational hospitals that are privately owned. Defence force hospitals are not included in the scope of public hospital services (see **private hospitals**).

public hospital services expenditure: 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 public hospital services undertake 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 2013–14 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 Private Health Insurance Incentives Scheme subsidy (see **Private Health Insurance Incentives Scheme**). From 1 April 2014, all rebate percentages are adjusted annually by a rebate adjustment factor – the rebate was reduced from 10–40% to 9.68–38.72% on 1 April 2014 and further reduced to 9.27–37.09% on 1 April 2015 (see **Australian Government health funding**).

There are 2 types of rebates of health insurance premiums:

- The first rebate is where the 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 rebate, having paid the 100% of their health fund's premiums up front.

recurrent expenditure: Expenditure for which organisations are liable 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) (see **capital consumption**).

referred medical services: Medical services that are not classified as primary health care.

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 Pharmaceutical Benefits Scheme (PBS) and a supplementary repatriation list, at the same cost as patients entitled to the concessional payment under the PBS (see **Pharmaceutical Benefits Scheme**).

state and territory dental services: School dental programs, community dental services and hospital dental programs that state and territory health authorities fund.

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

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Related publications

This report, *Health expenditure Australia 2013–14: analysis by sector*, is a companion to *Health expenditure Australia 2013–14*. 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.

Supplementary tables relating to this report have been published separately online as *Health expenditure Australia 2013–14: analysis by sector – supplementary tables*. See <<http://www.aihw.gov.au/publication-detail/?id=60129553112&tab=3>>.

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

- AIHW 2015. Health expenditure Australia 2013–14. Health and welfare expenditure series no. 54. Cat. no. HWE 63. Canberra: AIHW.
- AIHW 2014. Health expenditure Australia 2012–13: analysis by sector. Health and welfare expenditure series no. 53. Cat. no. HWE 62. Canberra: AIHW.
- 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 2013–14* to further explore expenditure on particular categories of health goods and services. In 2013–14, \$58.8 billion was spent on hospitals in Australia, \$54.7 billion on primary health care and \$32.0 billion on other health goods and services. A further \$9.1 billion was spent on capital expenditure

Unreferred medical services attracted the highest share of primary health care funding in 2013–14, at 19.3%. This is different to earlier in the decade, when benefit-paid pharmaceuticals attracted the most spending from 2008–09 to 2011–12. Growth in expenditure on benefit-paid pharmaceuticals slowed in the last 3 years compared with the rest of the decade. This slower growth in expenditure was in contrast to a steady increase in the number of prescriptions dispensed over the same period.