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Abbreviations

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

WA	Western Australia

Symbols

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

Summary

In 2015–16, there were 701 public hospitals in Australia, with 61,000 beds. Public hospitals were very diverse, with 69% having fewer than 50 beds, and 30 principal referral hospitals in metropolitan areas having an average of 659 beds. There were 630 private hospitals with 33,100 hospital beds (including day hospital facilities).

Between 2011–12 and 2015–16, the number of available beds in public hospitals rose by 1.0% on average each year, while the number of beds per 1,000 population remained relatively stable. Same-day beds accounted for an increasing proportion of public hospital beds, rising from 12.0% in 2011–12 to 12.6% in 2015–16.

Between 2011–12 and 2015–16, the number of licensed beds in private hospitals rose by 3.3% on average each year.

Australia had a total of 4.0 beds per 1,000 population in public hospitals and private hospitals, compared with an average of 4.8 beds per 1,000 for OECD countries and other selected countries.

What specialised service units were provided by public hospitals?

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

In 2015–16, the most common specialised service provided was domiciliary care (home-based care, provided by 373 hospitals), followed by nursing home care (285 hospitals). There were 83 intensive care units (level III and above) and 27 neonatal intensive care units (level III and above).

How were hospitals funded?

In 2014–15, public hospitals were mainly funded by the Australian (38%) and state or territory (53%) governments, and about 9% of funding was from non-government sources. In contrast, about 67% of private hospital funding came from non-government sources.

Between 2010–11 and 2014–15, funding for public hospitals rose by 4.7% on average each year (after adjusting for inflation), from $40 billion to $48 billion. Funding for private hospitals rose by 7.1% on average each year, from $11 billion to $14 billion. Comprehensive funding information for 2015–16 is not yet available.

How much did hospitals spend?

In 2015–16, total recurrent expenditure on public hospital services was about $64 billion (including depreciation). About 57% of this amount was for admitted patient care, 18% for outpatient care, 10% for emergency care services and 2% for teaching, training and research.

Recurrent expenditure for private hospitals was more than $13 billion in 2015–16.

How many people were employed in public and private hospitals?

Nationally, 360,000 full-time equivalent staff were employed in providing public hospital services in 2015–16. About 41% of staff were *Nurses* (149,000) and 12% were *Salaried medical officers* (45,000).

Between 2011–12 and 2015–16, average salaries for nurses and salaried medical officers in public hospitals increased by 1.9% and 1.5% on average each year, respectively.

There were 66,800 staff employed in private hospitals in 2015–16. Nurses accounted for about 56% of them.

1 Introduction

Hospital resources 2015–16: Australian hospital statistics presents information about public and private hospitals in Australia. It continues the Australian Institute of Health and Welfare's (AIHW) series of *Australian hospital statistics* reports which describe the characteristics and activity of Australia's hospitals.

This report presents an overview of public hospitals in 2015–16, covering the number and types of hospitals and availability of beds. It also describes public hospitals in terms of recurrent expenditure, the number of full-time equivalent staff employed and the types of specialised services provided. The report also presents selected information for private hospitals for the same period and comparative information for the previous 4 reporting periods.

Information on other aspects of Australia's hospitals for 2015–16 has been published in *Admitted patient care 2015–16: Australian hospital statistics* (AIHW 2017a), *Elective surgery waiting times 2015–16: Australian hospital statistics* (AIHW 2016a), *Emergency department care 2015–16: Australian hospital statistics* (AIHW 2016b), Staphylococcus aureus *bacteraemia in Australian public hospitals 2015–16: Australian hospital statistics* (AIHW 2017c) and *Non-admitted patient care 2015–16: Australian hospital statistics* (AIHW 2017b).

This report will be followed later this year by a shorter companion report—*Australia's hospitals 2015–16: at a glance* (AIHW, forthcoming)—that will present key findings from the *Australian hospital statistics* reports in an accessible format.

The AIHW also reports information on hospital funding and expenditure in its *Health expenditure Australia* series (AIHW 2016c and earlier reports), and hospital-level performance information on the *MyHospitals* website.

1.1 What's in this report?

Structure of this report

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

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

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

- How have resources changed over time?
- How many resources were there in 2015–16?
- Where do I go for more information?

The broad topics addressed in chapters 2 to 5 are:

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

Appendix A provides summary information on the National Public Hospital Establishments Database (NPHED)—the source of public hospital data used in this report. It includes issues affecting the quality and comparability of the data.

Appendix B includes notes on definitions, the presentation of data, the population estimates used to calculate population rates, and analysis methods.

Appendix C presents information on the public hospital peer group classification used in this report.

Appendix D presents information on specialised admitted patient clinical units using the Service Related Group classification.

Appendix E presents summary information on public hospital accreditation.

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

Box 1.1: Summary of terms relating to hospital resources

Beds

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

Full-time equivalent staff

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

Hospital expenditure

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

(continued)

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

Hospital funding

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

Local hospital networks

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

Public hospital peer groups

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

Service related group

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

Specialised service unit

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

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

1.2 What data are reported?

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

Public hospitals

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

National Public Hospital Establishments Database

This report draws mainly on data from the NPHED to present an overview of Australia's public hospitals. For 2015–16, the NPHED is based on data reported by state and territory health authorities for the Public hospital establishments National minimum data set (PHE NMDS) and the Local Hospital Network Data set specification (LHN DSS).

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

More information about the NPHED is in Appendix A, and in the Data Quality Statement accompanying this report, which is available at <www.aihw.gov.au>.

Public hospital establishments National Minimum Data Set

The PHE NMDS is defined in the *National health data dictionary*, versions 16, 16.1 and 16.2 (AIHW 2012, 2015b, 2015c) and in the AIHW's Metadata Online Registry (METeOR) (METeOR identifier 600230).

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

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

Between 2013–14 and 2014–15, several changes were implemented in the PHE NMDS, which affect the comparability of these data over time. The PHE NMDS also includes data elements to allow the reporting of:

- recurrent expenditure on contracted care and the number of beds available for contracted care—this information is not presented as it was not reported by all states and territories, and the information did not appear to be comparable among them.
- revenue—this information is not presented, as there were apparent inconsistencies between the revenue data and similar data reported elsewhere. In addition, the data were not comparable among jurisdictions. See Appendix A for more information.

Local Hospital Network Data Set Specification

The LHN DSS is defined in the *National health data dictionary*, versions 16.1 and 16.2 (AIHW 2015b, 2015c) and in the AIHW's METeOR (METeOR identifier 600241).

The scope of the LHN DSS is:

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

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

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

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

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

Data reported for the public hospital administrative levels

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

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

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

For 2015–16, there was variation among states and territories in the administrative levels at which revenue, recurrent expenditure and staffing information were reported:

- New South Wales, Queensland and Western Australia reported revenue, recurrent expenditure and staffing information for all 3 administrative levels.
- Victoria reported revenue, recurrent expenditure and staffing information at the LHN and state health authority levels, and none at the public hospital level. LHN-level reporting in Victoria is likely to be equivalent to the combination of hospital-level and LHN-level reporting for other jurisdictions.
- South Australia's revenue and recurrent expenditure information reported at the hospital and state health authority levels include revenue and recurrent expenditure information for the LHN level. Staffing information was reported at the hospital–level only.
- Tasmania reported recurrent expenditure and staffing information at the hospital level and at state health authority level. Information reported at the hospital and state health authority levels include recurrent expenditure and staffing information attributable to the LHNs.
- The Australian Capital Territory reported revenue, recurrent expenditure and staffing information at the hospital and LHN levels. Some information on revenue, recurrent expenditure and staffing attributable to the hospital level was included in the data reported at the LHN level.
- The Northern Territory reported all revenue, recurrent expenditure and staffing information at the hospital level. Information on staffing and expenditure attributable to the LHN level and territory health authority level was included in the data reported at the hospital level.

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

- the hospital level for New South Wales, Queensland and Western Australia
- the LHN level for New South Wales and Western Australia
- the combined hospital and LHN levels for New South Wales, Victoria, Queensland and Western Australia

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

Private hospital information

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

Information on private hospitals, including beds, expenditure and staffing was sourced from *Private Hospitals Australia 2015–16* (ABS 2017). Caution should be used in comparing the data for private hospitals and public hospitals as the data definitions used between these collections differ.

Hospital funding information

In this report, data presented on the funding of hospitals are sourced from the AIHW's Health Expenditure Database (HED) (AIHW 2016c).

Financial data reported from the HED are not directly comparable with data reported for public hospital services from the NPHED. Hospital expenditure reported for the purpose of the HED collection may cover activity that is not covered by the NPHED. The HED data include trust fund expenditure, whereas the NPHED does not. Data from the HED are not yet available for 2015–16.

1.3 What are the limitations of the data?

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

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

1.4 What methods are used?

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

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

Table 1.1: Comparability of revenue, recurrent expenditure and staffing information by administrative level, states and territories, 2015–16

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

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

(b) For the Australian Capital Territory, data for the Calvary Public Hospital and the QEII Hospital were reported at the hospital-level, and data for The Canberra Hospital were included in reporting at the LHN-level.

(c) For Tasmania, information reported at the hospital and state health authority levels includes recurrent expenditure and staffing information attributable to the LHNs.

(d) Reporting at the *State/territory health authority* level does not include staff employed at the LHN level for the Australian Capital Territory.

Source: NPHED.

Types of hospitals

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

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

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

Changes over time

Average annual changes are presented between 2011–12 and 2015–16, and between 2014–15 and 2015–16, unless otherwise stated. Annual change rates are not adjusted for any changes in data coverage, changes in metadata and/or recategorisation of the hospital as public or private, except where noted in the text.

Box 1.2: Variations in the data

Variation in data on hospital resources

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

Changes over time

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

Changes in the specification of the PHE NMDS between 2013–14 and 2014–15, and the implementation of the LHN DSS from 2014–15 mean that for 2011–12 to 2013–14 data are not available for:

- recurrent expenditure on different types of care, such as admitted patient care, non-admitted patient care, emergency care services and teaching, training and research
- the type of salaried medical officers—whether a *Specialised salaried medical officer* or *Other salaried medical officer*
- the non-salary recurrent expenditure categories for *Administrative expenses—insurance*, *Administrative expenses—other, Depreciation—building*, *Depreciation—other, Lease costs* and *Other on-costs*
- sources of funding (revenue), including appropriation from government sources (not presented in this report).

Information presented in this report for 2014–15 and 2015–16 for:

- full-time equivalent (FTE) staff is based on data reported for both the PHE NMDS and the LHN DSS. Information for FTE staff presented for 2011–12 to 2013–14, do not include FTE staff employed outside of public hospitals.

(continued)

Box 1.2 (continued): Variations in the data

- recurrent expenditure is based on data reported for both the PHE NMDS and the LHN DSS. Information for recurrent expenditure presented for 2011–12 to 2013–14, do not include expenditure attributed to the LHNs or at the state/territory health authority level.

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

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

Information on hospital accreditation reported for the NPHED is not presented in this report as it does not appear to be consistent with data reported by the Australian Commission on Safety on Quality in Health Care, and is not comparable across jurisdictions. See Appendix E for more information.

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

Where to go for more information

This report is available on the AIHW website at <www.aihw.gov.au/hospitals> in PDF format and all tables are available as downloadable Excel spread sheets.

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

MyHospitals website

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

The information includes:

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

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

Updates

Online tables will be updated if corrections are required after publication, or if states and territories resupply data.

2 How many hospitals are there in Australia?

This chapter presents an overview of public and private hospitals in 2015–16 and changes over time, covering the overall numbers of hospitals and the number of hospital beds.

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

The information in this chapter includes:

- the number of public hospitals and average available beds
- the number of private hospitals and licensed beds (or chairs)
- an international comparison—against the OECD average for the number of hospital beds per 1,000 population, by state and territory
- the number of local hospital networks in 2015–16.

Key findings

How many hospitals were there?

In 2015–16, there were 701 public hospitals and 630 private hospitals (including day hospital facilities).

Between 2014–15 and 2015–16, the number of public hospitals increased from 698 to 701, due to the opening of the Byron Central Hospital (New South Wales) and the St John of God Midland Public Hospital and the Sir Charles Gairdner Hospital Mental Health Unit (both in Western Australia).

How many hospital beds?

In 2015–16, 61,000 hospital beds were reported for public hospitals and 33,100 for private hospitals.

Between 2011–12 and 2015–16, the number of public hospital beds rose by an average of 1.0% each year, while the number of public hospital beds per 1,000 population was relatively stable at around 2.6 beds per 1,000 between 2011–12 and 2015–16.

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

In 2015–16, Australia had a total of 4.0 beds per 1,000 population in public and private hospitals, compared with an average of 4.8 beds per 1,000 population for other Organisation for Economic Co-operation and Development (OECD) countries (and other selected countries).

2.1 How many hospitals were there?

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

Changes over time

Public hospitals

In 2015–16, there were 701 public hospitals, compared with 753 in 2011–12 (Table 2.1). Much of this decrease was due to either the amalgamation or reclassification of establishments (see Box 2.1).

Between 2011–12 and 2015–16, the total number of public hospitals was stable in most states and territories, except for in Queensland where the number of public hospitals decreased between 2013–14 and 2014–15, as noted in Box 2.1 (Table 2.2).

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

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

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

For New South Wales:

- between 2012–13 and 2013–14, one establishment that was previously classified as a public acute hospital was reclassified as a public psychiatric hospital, resulting in an apparent decrease in *Public hospitals (other than psychiatric)* and an increase in *Public psychiatric hospitals*
- between 2013–14 and 2014–15, a hospice ceased reporting as a separate campus, and Rankin Park Hospital commenced reporting as a separate campus
- for 2015–16, Byron Central Hospital opened, and Byron Bay Hospital and Mullumbimby Hospital closed—all 3 hospitals are counted for 2015–16.

For Victoria:

- between 2011–12 and 2012–13, 2 small outpatient hospitals closed
- between 2013–14 and 2014–15, an aged care/rehabilitation facility ceased reporting as a separate campus
- for 2014–15, the Ursula Frayne Centre opened.

For Queensland:

- between 2013–14 and 2014–15, 46 very small reporting hospitals were reclassified as non-hospital facilities
- since 2012–13, the Robina Hospital in Queensland has been reported as a separate facility, whereas it had previously been combined with the Gold Coast Hospital

(continued)

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

- for 2013–14, the Gold Coast Hospital closed in September 2013, and the Gold Coast University Hospital subsequently opened
- the Lady Cilento Children's Hospital opened in November 2014 and the Mater Children's Hospital and the Royal Children's Hospital subsequently closed. For the purposes of this report, the data for all 3 hospitals were combined for 2014–15.

For Western Australia:

- between 2011–12 and 2012–13, the apparent decrease in the number of public hospitals for Western Australia was mainly due to the amalgamation of 5 small public hospitals within parent campuses resulting in an apparent decrease in the number of public hospitals
- for 2014–15, the Fiona Stanley Hospital opened
- for 2015–16, the St John of God Midland Public Hospital opened and Swan District Hospital closed (both hospitals are counted for 2015–16), and the Sir Charles Gairdner Hospital Mental Health Unit opened.

Table 2.1: Public hospitals[(a)], 2011–12 to 2015–16

						Change (%)	
	2011–12	2012–13	2013–14	2014–15	2015–16	Average since 2011–12	Since 2014–15
Public hospitals (other than psychiatric)	736	729	730	677	679	–2.0	0.3
Public psychiatric hospitals	17	17	17	21	22	6.7	4.8
Total public hospitals	**753**	**746**	**747**	**698**	**701**	**–1.8**	**0.4**

(a) Between 2011–12 and 2015–16, there were changes in the reporting of public hospitals for New South Wales, Victoria, Queensland and Western Australia that affect the counting of public hospitals. See Box 2.1 for more information.

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

Source: NPHED.

Table 2.2: Public hospitals, states and territories, 2011–12 to 2015–16

						Change (%)	
	2011–12	2012–13	2013–14	2014–15	2015–16	Average since 2011–12	Since 2014–15
New South Wales[(a)]	225	225	225	225	226	0.1	0.4
Victoria[(a)(b)]	151	150	151	151	151	0.0	0.0
Queensland[(a)]	170	170	169	122	122	–8.0	0.0
Western Australia[(a)]	96	90	91	92	94	–0.5	2.2
South Australia	80	80	80	77	77	–1.0	0.0
Tasmania	23	23	23	23	23	0.0	0.0
Australian Capital Territory	3	3	3	3	3	0.0	0.0
Northern Territory	5	5	5	5	5	0.0	0.0
Total public hospitals	**753**	**746**	**747**	**698**	**701**	**–1.8**	**0.4**

(a) Between 2011–12 and 2015–16, there were changes in the reporting of public hospitals for New South Wales, Victoria, Queensland and Western Australia that affect the counting of public hospitals. See Box 2.1 for more information.

(b) The number of public hospitals in Victoria is reported as a count of the campuses that reported separately to the National Hospital Morbidity Database (NHMD) in 2015–16. The Victorian forensic public psychiatric hospitals are counted as 1 hospital for the purpose of this report.

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

Source: NPHED.

Private hospitals

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

Counts of private hospitals can also vary, depending on the source of the information. Therefore, there may be discrepancies between counts of private hospitals from the ABS's PHEC and the numbers of private hospitals contributing to the NHMD (reported in *Admitted patient care 2015–16: Australian hospital statistics*—AIHW 2017a). The states and territories reported the latter information, which may not correspond with the way in which private hospitals report to the ABS's PHEC.

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

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

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

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

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

						Change (%)	
	2011–12	2012–13	2013–14	2014–15	2015–16	Average since 2011–12	Since 2014–15
New South Wales	185	192	193	203	205	2.6	1.0
Victoria[(a)]	164	165	165	167	169	0.8	1.2
Queensland	107	106	108	109	109	0.5	0.0
Western Australia	57	57	62	60	62	2.1	3.3
South Australia	54	55	55	55	56	0.9	1.8
Tasmania, Australian Capital Territory and Northern Territory[(b)]	25	26	29	30	29	3.8	–3.3
Total	**592**	**601**	**612**	**624**	**630**	**1.6**	**1.0**

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

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

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

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

How many hospitals were there in 2015–16?

Table 2.5 presents the number of public and private hospitals for 2015–16, by state and territory. The largest 3 states accounted for almost 74% (982) of all reported hospitals.

There were:

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

Table 2.5: Public and private hospitals, states and territories, 2015–16

	NSW	Vic[(a)(b)]	Qld	WA	SA	Tas	ACT	NT	Total
Public hospitals									
Public hospitals (other than psychiatric)	218	148	118	90	75	22	3	5	679
Public psychiatric hospitals	8	3	4	4	2	1	0	0	22
Private hospitals									
Private free-standing day hospital facilities	109	91	53	40	30	n.a.	n.a.	n.a.	341
Other private hospitals	96	78	56	22	26	n.a.	n.a.	n.a.	289
Total	**431**	**320**	**231**	**156**	**133**	**n.a.**	**n.a.**	**n.a.**	**1,331**

(a) The number of public hospitals in Victoria is reported as a count of the campuses that reported separately to the NHMD in 2015–16. The Victorian forensic public psychiatric hospitals are counted as 1 hospital for the purpose of this report. This differs from the number of hospitals reported to the NPHED, for which the Victorian forensic public psychiatric hospital campuses are counted separately.

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

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

Sources: Public hospital information was sourced from the NPHED and private hospital information was sourced from ABS 2017.

Where were public hospitals located?

About 26% of public hospitals (180) were located in *Major cities* (Table 2.6). The greatest number of public hospitals was reported for *Outer regional* areas (217, or 31%).

However, most of the larger public hospitals are located in the more populated areas, and this is evidenced by the number of hospital beds that were located in each remoteness area. For more information, see Section 2.2 'How many hospital beds were there?'.

Table 2.6: Number of public hospitals by remoteness area[(a)], states and territories, 2015–16

	NSW	Vic[(b)]	Qld	WA	SA	Tas	ACT	NT	Total
Major cities	68	53	19	22	15	. .	3	. .	180
Total regional	*140*	*96*	*70*	*37*	*44*	*19*	*0*	*1*	*407*
Inner regional	76	58	25	12	14	5	0	. .	190
Outer regional	64	38	45	25	30	14	. .	1	217
Total remote	*18*	*2*	*33*	*35*	*18*	*4*	. .	*4*	*114*
Remote	10	2	12	21	12	2	. .	2	61
Very remote	8	. .	21	14	6	2	. .	2	53
Total all remoteness areas	**226**	**151**	**122**	**94**	**77**	**23**	**3**	**5**	**701**

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

(b) The number of public hospitals in Victoria is reported as a count of the campuses that reported separately to the NHMD in 2015–16. The Victorian forensic public psychiatric hospitals are counted as 1 hospital for the purpose of this report.

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

Source: NPHED.

Where to go for more information

More information on hospitals is available in:

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

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

2.2 How many hospital beds were there?

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

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

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

Box 2.2: How are beds defined?

Public hospitals

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

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

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

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

Private hospitals

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

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

Changes over time

Public hospitals

Between 2011–12 and 2015–16, public hospital bed numbers rose overall, by an average of 1.0% per year, from 58,500 to almost 61,000 beds (Table 2.7). Same-day beds/chairs accounted for 12.0% of available public hospital beds in 2011–12, and this increased to 12.6% of available public hospital beds in 2015–16.

Between 2011–12 and 2015–16, public hospital beds per 1,000 population were relatively stable at around 2.6 beds per 1,000 population.

Between 2011–12 and 2015–16, the number of public hospital beds increased for New South Wales, Victoria, Queensland, Western Australia, Tasmania and the Australian Capital Territory (see Box 2.3) (Table 2.8).

Between 2011–12 and 2015–16, the numbers of available beds in public hospitals per 1,000 population were relatively stable for most states and territories.

For the Australian Capital Territory, the number of available public hospital beds increased by 4.2% on average each year, rising from 939 beds in 2011–12 to 1,106 beds in 2015–16.

For South Australia, the number of public hospital beds per 1,000 population decreased from 3.2 per 1,000 in 2011–12 to 2.8 per 1,000 in 2015–16. This decrease was mostly due to the reclassification of a large number of aged care beds between 2011–12 and 2012–13.

Table 2.7: Average available beds and beds per 1,000 population, public hospitals, 2011–12 to 2015–16

						Change (%)	
	2011–12	2012–13	2013–14	2014–15	2015–16	Average since 2011–12	Since 2014–15
Public hospitals (other than psychiatric)	*56,376*	*56,203*	*56,503*	*58,187*	*58,772*	1.0	1.0
Same-day beds/chairs	7,022	7,195	7,308	7,551	7,700	2.3	2.0
Overnight beds	49,354	49,008	49,195	50,636	51,072	0.9	0.9
Public psychiatric hospitals	2,169	2,108	2,065	2,153	2,186	0.2	1.5
Total	**58,545**	**58,311**	**58,567**	**60,340**	**60,957**	**1.0**	**1.0**
Beds per 1,000 population[(a)]	**2.62**	**2.57**	**2.53**	**2.57**	**2.56**	**–0.6**	**–0.4**

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

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

Source: NPHED.

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

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

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

In 2012–13, a large number of South Australian state-funded aged care beds in country hospitals were converted into Australian Government multi-purpose service places, resulting in a drop in the numbers of available hospital beds between 2011–12 and 2012–13.

Between 2013–14 and 2014–15, 46 very small reporting hospitals in Queensland were reclassified as non-hospital health services. The 46 hospitals combined reported 20 average available beds (in total) in 2013–14.

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

Table 2.8: Average available beds[a] and beds per 1,000 population, public hospitals, states and territories, 2011–12 to 2015–16

	2011–12	2012–13	2013–14	2014–15	2015–16	Change (%) Average since 2011–12	Change (%) Since 2014–15
Average available beds							
New South Wales	20,073	20,181	20,242	21,018	21,152	1.3	0.6
Victoria[b]	13,495	13,449	13,583	13,909	14,315	1.5	2.9
Queensland[c]	11,245	11,273	11,508	11,771	12,005	1.6	2.0
Western Australia	5,677	5,648	5,477	5,689	5,607	–0.3	–1.4
South Australia[d]	5,232	4,922	4,876	4,923	4,794	–2.2	–2.6
Tasmania[e]	1,188	1,188	1,187	1,299	1,314	n.p.	1.2
Australian Capital Territory	939	986	1,030	1,068	1,106	4.2	3.6
Northern Territory	696	664	664	664	664	–1.2	0.0
Total public hospitals	**58,545**	**58,311**	**58,567**	**60,340**	**60,957**	**1.0**	**1.0**
Available beds per 1,000 population[f]							
New South Wales	2.78	2.76	2.73	2.80	2.78	0.0	–0.7
Victoria[b]	2.44	2.39	2.37	2.38	2.41	–0.3	1.3
Queensland[c]	2.51	2.47	2.47	2.49	2.51	0.0	0.8
Western Australia	2.41	2.32	2.18	2.22	2.16	–2.7	–2.7
South Australia[d]	3.19	2.97	2.92	2.92	2.82	–3.0	–3.4
Tasmania[e]	2.32	2.32	2.31	2.52	2.54	n.p.	0.8
Australian Capital Territory	2.55	2.63	2.70	2.77	2.83	2.6	2.2
Northern Territory	3.01	2.81	2.74	2.73	2.72	–2.5	–0.4
Total public hospitals	**2.62**	**2.57**	**2.53**	**2.57**	**2.56**	**–0.6**	**–0.4**

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

(b) For Victoria for 2011–12, the numbers of available beds were adjusted since published in 2014–15 to correct reporting anomalies and to include Secure Extended Care Unit beds. These beds met the definition of an available bed but were incorrectly excluded from the submissions for some hospitals to the NPHED. Comparisons of bed numbers published in *Australian hospital statistics* reports before 2014–15 are not valid for Victoria.

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

(d) In 2012–13, a large number of South Australian state-funded aged care beds in country hospitals were converted into Australian Government multi-purpose service places. This resulted in an apparent decrease in the numbers of available beds between 2011–12 and 2012–13.

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

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

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

Source: NPHED.

Private hospitals

Between 2011–12 and 2015–16, private hospital bed numbers rose by an average of 3.3% per year (from 29,000 to 33,100) and the number of beds per 1,000 population increased by an average of 1.7% per year (Table 2.9).

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

The number of licensed beds in other private hospitals per 1,000 population rose from around 1.17 to 1.26 beds per 1,000 between 2011–12 and 2015–16 (Table 2.10).

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

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

Table 2.9: Licensed beds and beds per 1,000 population, private hospitals, 2011–12 to 2015–16

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

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

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

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

How many hospital beds were there in 2015–16?

In 2015–16, there were 61,000 available beds in public hospitals, with 2,186 (3.6%) of these in public psychiatric hospitals (Table 2.11).

Almost 33,100 licensed beds were reported for private hospitals in 2015–16, with over 3,152 (9.5%) of these in *Private free-standing day hospital facilities*.

In 2015–16, nationally, about 87% of beds in *Public hospitals (other than psychiatric)* were available for overnight stay patients. The proportion of beds available for same-day patients in *Public hospitals (other than psychiatric)* ranged from 5.1% in the Northern Territory to 17.6% in Queensland.

Most beds in *Public psychiatric hospitals* were for overnight care. New South Wales and South Australia each reported an average of 1 available bed for same-day care in *Public psychiatric hospitals*.

The number of available beds per 1,000 population in *Public hospitals (other than psychiatric)* ranged from 2.2 per 1,000 in Western Australia, to 2.8 per 1,000 in New South Wales, South Australia and the Australian Capital Territory.

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

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

(a) Tasmania, the Australian Capital Territory and the Northern Territory were aggregated by ABS to protect the confidentiality of the small number of hospitals in these states/territories. Data for Western Australia for 2013–14, 2014–15 and 2015–16, and data for South Australia for 2011–12 and 2015–16 were not published by the ABS to prevent calculation of the total licensed beds for Tasmania, the Australian Capital Territory and the Northern Territory.

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

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

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

Table 2.11: Average available beds per 1,000 population in public hospitals and licensed beds[(a)] per 1,000 population in private hospitals, states and territories, 2015–16

	NSW	Vic	Qld[(b)]	WA	SA	Tas	ACT	NT	Total
Average available beds									
Public hospitals	*21,152*	*14,315*	*12,005*	*5,607*	*4,794*	*1,314*	*1,106*	*664*	*60,957*
Public hospitals (other than psychiatric)	19,996	14,135	11,696	5,340	4,610	1,224	1,106	664	58,772
Same-day beds/chairs	1,697	2,245	2,116	701	528	228	150	34	7,700
Overnight beds	18,299	11,890	9,580	4,639	4,082	996	956	630	51,072
Public psychiatric hospitals	1,156	180	309	267	184	90	. .	. .	2,186
Private hospitals	*9,110*	*8,629*	*7,384*	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*33,074*
Private free-standing day hospital facilities	926	753	587	n.a.	n.a.	n.a.	n.a.	n.a.	3,152
Other private hospitals	8,184	7,876	6,797	n.p.	n.a.	n.a.	n.a.	n.a.	29,922
Total beds[(a)]	**30,262**	**22,944**	**19,389**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**94,031**
Available or licensed beds per 1,000 population[(c)]									
Public hospitals	*2.78*	*2.41*	*2.51*	*2.16*	*2.82*	*2.54*	*2.83*	*2.72*	*2.56*
Public hospitals (other than psychiatric)	2.62	2.38	2.45	2.06	2.71	2.37	2.83	2.72	2.47
Public psychiatric hospitals	0.15	0.03	0.06	0.10	0.11	0.17	. .	. .	0.09
Private hospitals	*1.20*	*1.45*	*1.54*	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*n.a.*	*1.39*
Private free-standing day hospital facilities	*0.12*	*0.13*	*0.12*	n.a.	n.a.	n.a.	n.a.	n.a.	*0.13*
Other private hospitals	*1.07*	*1.32*	*1.42*	n.a.	n.a.	n.a.	n.a.	n.a.	*1.26*
Total beds per 1,000 population[(c)]	**3.97**	**3.86**	**4.06**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**3.95**

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

(b) The count of public hospital beds in Queensland was based on data as at 30 June 2016.

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

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

Sources: Public hospital information was sourced from the NPHED and private hospital information was sourced from ABS 2017.

Where were public hospital beds located?

Nationally, about 67% of public hospital beds were located in *Major cities* (41,000 beds) and 18% were located in *Inner regional* areas (Table 2.12).

The number of public hospital beds per 1,000 population varied across remoteness areas, from 2.4 beds per 1,000 population in *Major cities* to 3.9 beds per 1,000 population in *Remote* areas.

The Australian Capital Territory had the highest average available beds per 1,000 population in *Major cities* (2.9 beds per 1,000 population). New South Wales had the highest beds per 1,000 in *Total regional* (comprising *Inner regional* and *Outer regional* areas combined, 3.3 per 1,000) and *Total remote* areas (comprising *Remote* and *Very remote* areas combined, 6.4 beds per 1,000).

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

How does Australia compare?

In 2015–16, Australia had a total of 4.0 beds per 1,000 population in public and private hospitals, compared with an average of 4.8 beds per 1,000 population for countries analysed by the Organisation for Economic Co-operation and Development (OECD) (Table 2.13), and ranked in the middle of the 35 OECD countries and other selected countries.

Among the countries analysed by the OECD, the number of hospital beds per 1,000 population ranged from 0.5 per 1,000 in India to 13.2 per 1,000 in Japan (Figure 2.1). Compared with Australia, there were fewer beds per 1,000 population in the United States (2.9), New Zealand (2.8), the United Kingdom (2.7) and Canada (2.7). There were more beds per 1,000 in Germany (8.2), France (6.2) and Greece (4.2) (OECD 2016).

Table 2.12: Average available beds and beds per 1,000 population[(a)], by remoteness area[(b)], public hospitals, states and territories, 2015–16

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Average available beds									
Major cities	14,699	10,500	7,283	4,194	3,310	. .	1,106	. .	41,092
Total regional	*6,203*	*3,804*	*4,200*	*968*	*1,195*	*1,292*	*0*	*367*	*18,029*
Inner regional	4,487	3,031	1,993	406	370	948	0	. .	11,235
Outer regional	1,717	773	2,207	562	825	344	. .	367	6,795
Total remote	*250*	*11*	*522*	*445*	*289*	*22*	. .	*297*	*1,836*
Remote	190	11	240	325	231	12	. .	243	1,252
Very remote	60	. .	282	120	58	10	. .	54	584
Total all remoteness areas	**21,152**	**14,315**	**12,005**	**5,607**	**4,794**	**1,314**	**1,106**	**664**	**60,957**
Available beds per 1,000 population									
Major cities	2.59	2.29	2.44	2.10	2.65	. .	2.85	. .	2.44
Total regional	*3.26*	*2.80*	*2.53*	*2.26*	*3.08*	*2.55*	*0.0*	*2.58*	*2.82*
Inner regional	3.08	2.72	2.07	1.70	2.00	2.79	0.0	. .	2.61
Outer regional	3.83	3.18	3.17	2.98	4.08	2.07	. .	2.58	3.26
Total remote	*6.41*	*2.51*	*3.78*	*2.66*	*4.75*	*2.12*	. .	*2.91*	*3.50*
Remote	6.19	2.51	3.03	3.13	5.03	1.50	. .	4.95	3.90
Very remote	7.24	. .	4.78	1.88	3.89	4.24	. .	1.02	2.86
Total all remoteness areas	**2.78**	**2.41**	**2.51**	**2.16**	**2.82**	**2.54**	**2.83**	**2.72**	**2.56**

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

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

(c) The count of beds in Queensland was based on data as at 30 June 2016.

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

Source: NPHED

Table 2.13: Hospital beds, per 1,000 population[a], states and territories, public and private hospitals (2015–16), average for OECD countries and other selected countries (2014)[b]

	Hospital beds (per 1,000 population)		
	Public hospitals	Private hospitals[c]	Total
New South Wales	2.78	1.20	3.97
Victoria	2.41	1.45	3.86
Queensland	2.51	1.54	4.06
Western Australia	2.16	n.a.	n.a.
South Australia	2.82	n.a.	n.a.
Tasmania	2.54	n.a.	n.a.
Australian Capital Territory	2.83	n.a.	n.a.
Northern Territory	2.72	n.a.	n.a.
Australia	**2.56**	**1.39**	**3.95**
OECD average[b]	**. .**	**. .**	**4.8**
OECD interquartile range[d]	. .	. .	2.7–6.2
Number of countries[b]	. .	. .	42

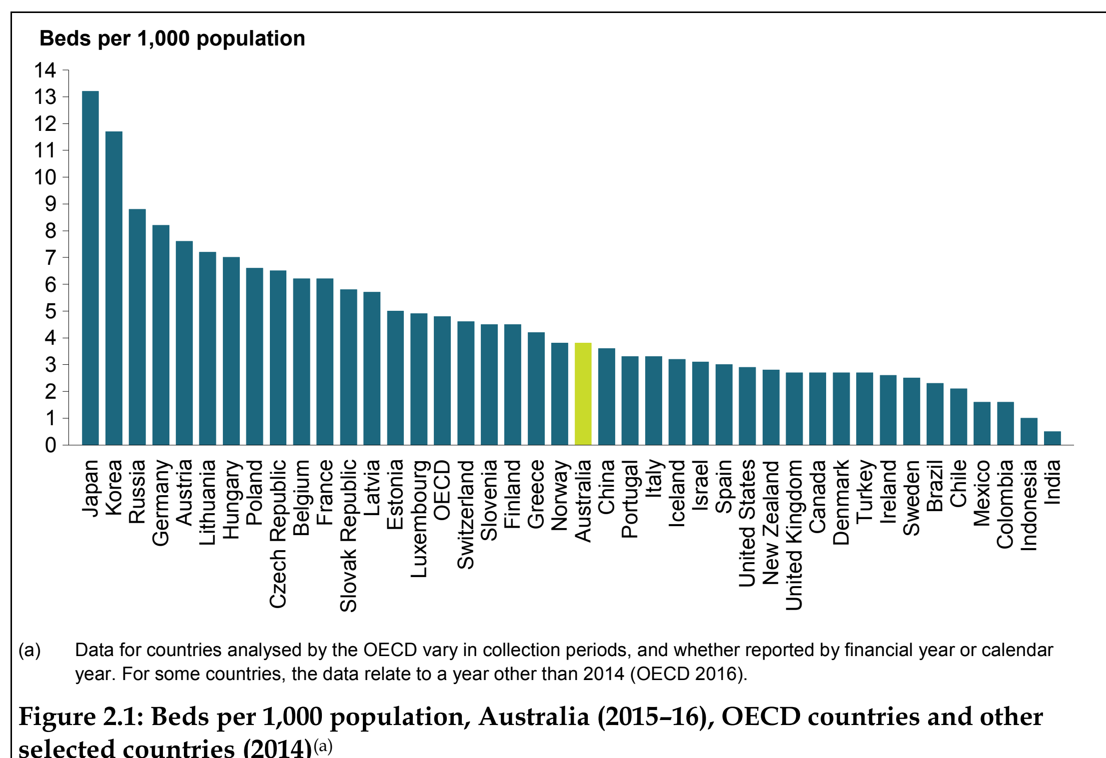
(a) Hospital beds per 1,000 population for Australia is reported as a crude rate based on the estimated resident population as at 30 June 2016.

(b) The OECD average includes some countries that do not belong to the OECD. For some countries, the data relate to a year other than 2014.

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

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

Source: Public hospital beds were sourced from NPHED and private hospital beds were sourced from *Private hospitals Australia 2015–16* (ABS 2017). Hospital beds for other countries were sourced from OECD 2016.



(a) Data for countries analysed by the OECD vary in collection periods, and whether reported by financial year or calendar year. For some countries, the data relate to a year other than 2014 (OECD 2016).

Figure 2.1: Beds per 1,000 population, Australia (2015–16), OECD countries and other selected countries (2014)[a]

2.3 How many Local hospital networks were there in 2015–16?

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

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

Table 2.14 shows the number of LHNs in each state and territory, and includes a count of networks according to the 'major public hospital' in the network (using the AIHW public hospital peer groups). The 'major public hospital' was identified as the hospital with the greatest amount of admitted patient activity among the hospitals in the LHN. For more information on the peer group classification, see Chapter 3 and Appendix C.

In 2015–16, there were 135 LHNs, including 88 in Victoria, and 1 in the Australian Capital Territory (Table 2.14).

For 2015–16, Tasmania reported all hospitals under a state-level local hospital network. Previously, Tasmania had reported 3 local hospital networks.

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

Where to go for more information

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

Table 2.14: Local hospital networks, by major public hospital type, states and territories, 2015–16

	NSW	Vic[(a)]	Qld[(b)]	WA	SA	Tas	ACT	NT	Total
Number of Local hospital networks	**18**	**88**	**16**	**4**	**5**	**1**	**1**	**2**	**135**
Principal referral	9	6	4	2	2	1	1	1	26
Women's and children's	1	3	1	1	1	0	0	0	7
Public acute group A	5	13	7	0	1	0	0	1	27
Public acute group B	2	1	1	1	1	0	0	0	6
Public acute group C	0	29	3	0	0	0	0	0	32
Public acute group D	0	19	0	0	0	0	0	0	19
Very small	0	10	0	0	0	0	0	0	10
Psychiatric	1	1	0	0	0	0	0	0	2
Subacute and non-acute	0	1	0	0	0	0	0	0	1
Other	0	5	0	0	0	0	0	0	5
LHNs that consist of a single hospital	1	54	0	1	1	0	0	0	57
Total hospitals	**226**	**151**	**122**	**94**	**77**	**23**	**3**	**5**	**701**

(a) The number of public hospitals in Victoria is reported as a count of the campuses that reported data separately to the NHMD in 2015–16. The Victorian forensic public psychiatric hospitals are counted as 1 hospital for the purpose of this report. This differs from the number of hospitals reported to the NPHED, for which the Victorian forensic public psychiatric hospital campuses are counted separately.

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

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

Source: NPHED.

3 How diverse were public hospitals?

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

- public hospital peer groups—which classify public hospitals into groups of similar hospitals—presented by state and territory, the location (remoteness area) of the hospital, and the types of services provided for 2015–16
- hospital size—the number of public hospitals by size (based on the number of average available beds), and state and territory for 2015–16
- the number of public hospitals (other than psychiatric) that provided specialised service units by state and territory, remoteness area of hospital and public hospital peer group for 2015–16
- the 20 most common specialised admitted patient clinical units (Service Related Groups)—representing clinical divisions of hospital activity—in public hospitals by remoteness area of hospital and public hospital peer group for 2015–16.

Key findings

How did public hospitals differ?

In 2015–16, the 701 public hospitals were very diverse in size and type of services they provided. They ranged from the 30 *Principal referral* hospitals to the 8 *Outpatient* hospitals and 22 *Psychiatric* hospitals.

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

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

Most *Public acute group A* hospitals had 24-hour emergency departments (59 out of 63), and outpatient clinics (61 out of 63) and most provided elective surgery (58 out of 63). On average, *Public acute group A* hospitals had 266 beds.

What specialised service units were provided?

In 2015–16, the most common specialised service units offered by public hospitals were for *Domiciliary care* (provided by 373 public hospitals), followed by those for *Nursing home care* (provided by 285 public hospitals) and *Obstetric/maternity services.* There were 83 *Intensive care units (level III and above)*, and 27 *Neonatal intensive care units (level III and above)*.

3.1 How did public hospitals differ?

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

Public hospital peer groups

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

In 2015–16, the 701 public hospitals were:

- 30 *Principal referral* hospitals (Table 3.1)—mainly located in *Major cities*, with at least 1 in each state and territory. They provided a very broad range of services and had very large patient volumes. Most include an intensive care unit, a cardiac surgery unit, a neurosurgery unit, an infectious diseases unit and a 24-hour emergency department. These hospitals accounted for almost 2.3 million separations (an average of 75,455 separations per hospital), or 36% of the total for public hospitals, and they accounted for 7.2 million patient days, or 35% of the total for public hospitals.
- 12 *Women's and children's* hospitals—located in Sydney, Melbourne, Brisbane, Perth and Adelaide. They specialised in maternity and other specialist services for women, and/or specialist paediatric services. They accounted for 22,975 separations on average per hospital.
- 63 *Public acute group A* hospitals—34 were located in *Major cities*, and 29 in *Regional* and *Remote* areas. They provided a wide range of services to a large number of patients. Most had an intensive care unit, a 24-hour emergency department and a range of specialist units such as bone marrow transplant, coronary care and oncology units. They provided emergency department, outpatient and admitted patient services, generally with a range of activities less than for the *Principal referral* hospitals. They averaged 33,287 separations per hospital.
- 45 *Public acute group B* hospitals—24 in *Major cities* and 21 in *Regional* and *Remote* areas. All had a 24-hour emergency department and most provided elective surgery. They provided a narrower range of services than the *Principal referral* and *Public acute group A hospitals*. They had a range of specialist units such as obstetrics, paediatrics, psychiatric and oncology units. They had an average of 17,822 separations per hospital.
- 144 *Public acute group C* hospitals—mostly in *Regional* and *Remote* areas. These hospitals usually provided an obstetric unit, surgical services and some form of emergency facility. Generally smaller than the *Public acute group B* hospitals, they delivered mainly acute care for admitted patients, with an average of 3,627 separations per hospital, and a relatively narrow range of services.
- 190 *Public acute group D* hospitals—most situated in *Regional* and *Remote* areas. They offered a smaller range of services relative to the other public acute hospitals (groups A–C). Hospitals in this group tend to have a greater proportion of non-acute separations compared with the larger acute public hospitals. They averaged 577 separations per hospital.
- 122 *Very small* hospitals in *Regional* and *Remote* areas delivered a narrow range of services. On average, they accounted for fewer than 100 separations each year.

- 22 *Psychiatric* hospitals—located in Sydney, Melbourne, Brisbane, Perth, Adelaide and Hobart, with 1 in regional New South Wales and 3 in regional Queensland centres. They specialised in providing psychiatric care and/or treatment for people with a mental disorder or psychiatric disability.
- 39 *Subacute and non-acute* hospitals – including hospitals that primarily provided *Rehabilitation care*, as well as *Mixed subacute and non-acute* hospitals, that provided rehabilitation care, palliative care, geriatric evaluation and management, psychogeriatric care and non-acute (maintenance) care. They had an average of 1,654 separations per hospital.
- 8 *Outpatient* hospitals—in *Regional* and *Remote* areas. They provided a range of non-admitted patient services. Generally, they do not admit patients.
- 26 *Other* hospitals—this group is diverse and includes *Early parenting centres*, *Drug and alcohol hospitals*, *Same-day hospitals*, *Other acute specialised hospitals*, and unpeered hospitals (not considered a peer group for comparative purposes).

How did public hospitals differ among states and territories?

The distribution of hospital services varies among jurisdictions.

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

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

The provision of hospital services also varied among jurisdictions. For example, about 17% of public hospitals reported providing formal emergency department care in Tasmania compared with 78% in New South Wales (Table 3.2).

Table 3.1: Public hospital peer groups, 2015–16

	Location				Services provided				Other characteristics				
	Major cities	Regional	Remote	Total	Emergency departments[(a)]	Non-admitted patient clinics[(b)]	Elective surgery[(c)]	Intensive care units[(d)]	Average available beds	Separations[(e)] (average)	Average length of stay (days)	Non-acute care patient days (%)	AR-DRGs (5+)[(f)]
Principal referral	27	3	0	30	30	30	30	30	659	75,455	3.2	8.5	603
Women's and children's	12	0	0	12	9	12	12	9	212	22,975	3.0	1.4	232
Public acute group A	34	28	1	63	60	63	59	49	266	33,287	2.9	11.1	416
Public acute group B	24	20	1	45	45	45	43	12	138	17,822	2.7	17.7	273
Public acute group C	11	115	18	144	55	140	100	2	40	3,627	2.6	23.4	103
Public acute group D	4	134	52	190	58	168	11	0	17	577	4.5	35.0	24
Very small	0	84	38	122	24	89	0	0	8	84	10.5	48.6	2
Psychiatric	17	5	0	22	0	4	0	1	99	704	63.0	44.7	9
Subacute and non-acute[(g)]	28	11	0	39	0	32	0	0	65	1,654	13.6	88.9	40
Outpatient	0	4	4	8	5	7	0	0	1	28	5.7	15.5	1
Other[(h)]	23	3	0	26	1	15	5	1	30	4,296	2.1	9.8	24
Total	**180**	**407**	**114**	**701**	**287**	**605**	**260**	**104**	**87**	**8,948**	**3.2**	**17.0**	**116**

(a) This is the number of hospitals reporting episode-level emergency department presentations data to the National Non-admitted Patient Emergency Care Database (NNAPEDCD). Other hospitals may also provide emergency or urgent services on a less formal basis. Includes hospitals in the Australian Capital Territory, for which 2015–16 data for the NNAPEDCD were not available at the time of publication of *Emergency department care: Australian hospital statistics* (AIHW 2016b).

(b) This is the number of hospitals reporting non-admitted service events to the National Non-admitted Patient Care Database (NNAPC(agg)D). Includes hospitals in the Australian Capital Territory, for which 2015–16 data for the NNAPC(agg)D were not available at the time of publication of *Non-admitted patient care 2015–16: Australian hospital statistics* (AIHW 2017b).

(c) This is the number of hospitals reporting data to the National Elective Surgery Waiting Times Data Collection (NESWTDC). Includes hospitals in the Australian Capital Territory, for which 2015–16 data for the NESWTDC were not available at the time of publication of *Elective surgery waiting times 2015–16: Australian hospital statistics* (AIHW 2016a).

(d) This is the number of hospitals that reported hours spent in *Intensive care units (level III and above)* or in *Neonatal intensive care units (level III and above)* to the NHMD.

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

(f) This is the average number of AR-DRGs for which there were at least 5 separations as reported to the NHMD. There are 771 individual AR-DRGs in AR-DRG version 7.0; this measure is an indication of the range of admitted patient services provided by the hospital.

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

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

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

Source: NPHED

Table 3.2: Summary of public hospitals, states and territories, 2015–16

	Location				Services provided			
	Major cities	Regional	Remote	Total	Emergency departments[(a)]	Non-admitted patient clinics[(b)]	Elective surgery[(c)]	Intensive care units[(d)]
New South Wales	68	140	18	**226**	177	216	96	43
Victoria	53	96	2	**151**	40	103	33	29
Queensland	19	70	33	**122**	26	117	50	8
Western Australia	22	37	35	**94**	19	87	34	11
South Australia	15	44	18	**77**	14	71	36	7
Tasmania	. .	19	4	**23**	4	4	4	2
Australian Capital Territory	3	0	. .	**3**	2	2	2	2
Northern Territory	. .	1	4	**5**	5	5	5	2
Total	**180**	**407**	**114**	**701**	**287**	**605**	**260**	**104**

(a) This is the number of hospitals reporting episode-level emergency department presentations data to the NNAPEDCD. Other hospitals may also provide emergency or urgent services on a less formal basis. Includes hospitals in the Australian Capital Territory, for which 2015–16 data for the NNAPEDCD were not available at the time of publication of *Emergency department care: Australian hospital statistics* (AIHW 2016b).

(b) This is the number of hospitals reporting non-admitted service events to the NNAPC(agg)D. Includes hospitals in the Australian Capital Territory, for which 2015–16 data for the NNAPC(agg)D were not available at the time of publication of *Non-admitted patient care 2015–16: Australian hospital statistics* (AIHW 2017b).

(c) This is the number of hospitals reporting data to the NESWTDC. Includes hospitals in the Australian Capital Territory, for which 2015–16 data for the NESWTDC were not available at the time of publication of *Elective surgery waiting times 2015–16: Australian hospital statistics* (AIHW 2016a).

(d) This is the number of hospitals that reported hours spent in *Intensive care units (level III and above)* or in *Neonatal intensive care units (level III and above)* to the NHMD.

Notes

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

Where to go for more information

More information on public hospital peer groups is available:

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

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

3.2 How did public hospitals differ in size?

Grouping hospitals by the number of available beds showed that the majority of hospitals (69%) were very small (fewer than 50 beds). For example, in Tasmania, 18 of their 23 hospitals had fewer than 50 available beds and these hospitals accounted for about 12% of Tasmania's available beds.

The majority of beds were in larger hospitals and in more densely populated areas (Table 3.3). The largest two hospitals—both located in Brisbane—had around 1,000 available beds each. Queensland had the highest proportion of available beds in larger hospitals, with 18 of their 122 hospitals having more than 200 beds and accounting for 73% of Queensland's available beds.

The proportion of hospital beds in different sized hospitals varied by jurisdiction. The Northern Territory had no public hospitals with more than 500 beds or with 10 beds or fewer. In Victoria, a relatively high proportion of beds were in hospitals with 201 to 500 beds (37%), compared with hospitals with more than 500 beds (23%).

Table 3.3: Public hospitals, by hospital size, states and territories, 2015–16

	NSW	Vic[(a)]	Qld[(b)]	WA	SA	Tas	ACT	NT	Total
				Number of hospitals					
10 or fewer beds	23	37	30	49	19	13	0	0	171
11 to 50 beds	126	52	61	24	40	5	1	2	311
51 to 100 beds	25	23	7	5	9	1	0	1	71
101 to 200 beds	25	18	6	8	3	2	0	1	63
201 to 500 beds	19	16	12	6	4	2	1	1	61
More than 500 beds	8	5	6	2	2	0	1	0	24
All hospitals	**226**	**151**	**122**	**94**	**77**	**23**	**3**	**5**	**701**
				Average available beds[(c)]					
10 or fewer beds	64	227	217	229	118	69	. .	. .	924
11 to 50 beds	3,232	1,161	1,474	642	931	83	26	54	7,603
51 to 100 beds	1,770	1,751	571	366	626	90	. .	60	5,234
101 to 200 beds	3,794	2,586	938	1,220	445	230	. .	183	9,396
201 to 500 beds	6,538	5,362	4,046	1,817	1,224	842	303	367	20,499
More than 500 beds	5,753	3,229	4,759	1,333	1,450	. .	777	. .	17,301
All hospitals	**21,152**	**14,315**	**12,005**	**5,607**	**4,794**	**1,314**	**1,106**	**664**	**60,957**

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

(b) The count of beds in Queensland was based on data as at 30 June 2016.

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

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

Source: NPHED.

3.3 What specialised service units did public hospitals provide?

This section includes information on 32 types of admitted and non-admitted specialised units that were reported for each hospital, based on data reported to the NPHED for 2015–16. It also includes information on the types of clinical units provided for admitted patients, based on data reported to the National Hospital Morbidity Database (NHMD) for 2015–16.

What specialised service units did public hospitals provide in 2015–16?

In 2015–16, the most common specialised service units offered by public hospitals were for *Domiciliary care* (home-based care, provided by 373 hospitals), followed by those for *Nursing home care* (285 hospitals) and *Obstetric/maternity units* (230 hospitals) (Table 3.4).

In 2015–16, 83 public hospitals had *Intensive care units (level III and above)*, 25 of which were in *Regional* and *Remote* areas. Twenty-seven public hospitals had *Neonatal intensive care units (level III and above)* and 4 of these were in *Total regional* (comprising *Inner regional* and *Outer regional* areas combined) areas.

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

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

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

Table 3.4: Number of public hospitals providing selected specialised service units, by remoteness area of hospital, 2015–16

	Remoteness area of hospital			
Specialised service	**Major cities**	**Total regional**	**Total remote**	**Total**
Domiciliary care service	73	243	57	**373**
Nursing home care unit	14	211	60	**285**
Obstetric/maternity service	67	143	20	**230**
Maintenance renal dialysis centre	77	94	19	**190**
Rehabilitation unit	96	66	2	**164**
Oncology unit	67	78	7	**152**
Intensive care unit (level III)	58	23	2	**83**
Major plastic/reconstructive surgery unit	43	4	1	**48**
Neonatal intensive care unit (level III)	23	4	0	**27**
In-vitro fertilisation unit	7	1	0	**8**
Total	**180**	**407**	**114**	**701**

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

Source: NPHED

Table 3.5: Number of public hospitals providing selected specialised service units, by public hospital peer group, 2015–16

Specialised service	Principal referral	Women's and children's	Public acute group A	Public acute group B	Public acute group C	Public acute group D	Very small	Psychiatric	Subacute and non-acute	Outpatient	Other	Total
Domiciliary care service	20	9	23	23	101	102	73	0	16	1	5	373
Nursing home care unit	1	0	4	4	54	100	104	1	13	3	1	285
Obstetric/maternity unit	18	7	50	34	109	9	0	0	0	0	3	230
Maintenance renal dialysis centre	27	6	46	32	45	27	0	0	4	0	3	190
Rehabilitation unit	24	6	39	27	29	5	0	2	28	0	4	164
Oncology unit	28	10	50	17	42	0	0	0	1	0	4	152
Intensive care unit (level III)	30	6	37	10	0	0	0	0	0	0	0	83
Major plastic/reconstructive surgery unit	27	6	13	1	1	0	0	0	0	0	0	48
Neonatal intensive care unit (level III)	16	9	1	1	0	0	0	0	0	0	0	27
In-vitro fertilisation unit	4	3	1	0	0	0	0	0	0	0	0	8
Total public hospitals[(a)]	**30**	**12**	**63**	**45**	**144**	**190**	**122**	**22**	**39**	**8**	**26**	**701**

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

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

Source: NPHED.

Table 3.6: Number of public hospitals providing specialised service units, states and territories, 2015–16

Specialised service	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Acute renal dialysis unit	25	16	16	5	5	2	1	2	72
Acute spinal cord injury unit	4	2	1	1	1	0	1	0	10
AIDS unit	8	2	2	2	2	0	1	0	17
Alcohol and drug unit	79	12	20	3	3	1	1	0	119
Burns unit (level III)	3	2	2	2	2	1	1	0	13
Cardiac surgery unit	17	8	5	3	2	1	1	0	37
Clinical genetics unit	14	10	2	3	3	1	1	0	34
Coronary care unit	41	23	20	6	5	3	2	2	102
Diabetes unit	24	23	14	7	7	3	1	3	82
Domiciliary care service	109	95	43	57	67	0	1	1	373
Geriatric assessment unit	88	43	21	11	7	3	2	2	177
Hospice care unit	45	25	23	33	8	1	1	1	137
Infectious diseases unit	17	16	10	5	4	1	2	2	57
Intensive care unit (level III)	42	17	10	4	5	2	1	2	83
In-vitro fertilisation unit	3	1	1	1	1	0	0	1	8
Maintenance renal dialysis centre	63	65	25	14	16	2	1	4	190
Major plastic/reconstructive surgery unit	14	12	9	5	3	1	2	2	48
Neonatal intensive care unit (level III)	10	5	4	3	2	1	1	1	27
Neurosurgical unit	13	8	6	3	3	1	1	2	37
Nursing home care unit	77	91	11	47	49	10	0	0	285
Obstetric/maternity service	73	55	42	26	24	3	2	5	230
Oncology unit	46	45	20	14	21	3	1	2	152
Psychiatric unit/ward	54	37	22	16	13	4	2	2	150
Refractory epilepsy unit	9	5	3	2	2	0	0	0	21
Rehabilitation unit	63	46	20	17	10	3	2	3	164
Sleep centre	13	10	8	4	4	2	1	2	44
Specialist paediatric service	46	26	24	9	5	4	1	4	119
Transplantation unit—bone marrow	13	7	5	4	1	1	1	0	32
Transplantation unit—heart (including heart/lung)	1	2	1	2	0	0	0	0	6
Transplantation unit—liver	2	2	2	2	1	0	0	0	9
Transplantation unit—pancreas	1	3	0	0	0	0	0	0	4
Transplantation unit—renal	8	6	2	3	2	0	0	0	21
Total public hospitals[(a)]	**226**	**151**	**122**	**94**	**77**	**23**	**3**	**5**	**701**

AIDS—acquired immune deficiency syndrome.

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

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

Source: NPHED.

3.4 How many specialised admitted patient clinical units were there in 2015–16?

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

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

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

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

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

More than 65% of *Drug and alcohol* and *Urology* specialised clinical units were located in *Major cities* and more than 60% of *Maintenance* and *Respiratory medicine* specialised clinical units were in *Total regional* (comprising *Inner regional* and *Outer regional* areas combined) areas (Table 3.7).

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

Where to go for more information

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

- *Emergency department care 2015–16: Australian hospital statistics* (AIHW 2016b)
- *Non-admitted patient care 2015–16: Australian hospital statistics* (AIHW 2017b).

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

- *Admitted patient care 2015–16: Australian hospital statistics* (AIHW 2017a).

More information on the method used to allocate admitted patient records to SRGs is available in Appendix D. More information on specialised clinical units by state and territory for both public and private hospitals is available in tables accompanying this report online at <www.aihw.gov.au/hospitals/>. Information on data limitations and methods is available in appendixes A and B.

Table 3.7: Number of public hospitals reporting more than 360 patient days for the 20 most common specialised clinical units[(a)], by remoteness area[(b)] of hospital, 2015–16

	Remoteness area of hospital			
Specialised clinical unit	**Major cities**	**Total regional**	**Total remote**	**Total**
General medicine	128	242	34	**404**
Respiratory medicine	105	186	18	**309**
Orthopaedics	104	126	8	**238**
Maintenance	74	140	16	**230**
Cardiology	97	122	7	**226**
Gastroenterology	100	116	7	**223**
Rehabilitation	109	93	1	**203**
Neurology	101	93	3	**197**
General surgery	102	83	6	**191**
Diagnostic gastrointestinal	87	80	3	**170**
Obstetrics	66	92	12	**170**
Renal dialysis	74	85	10	**169**
Psychiatry/mental health—acute	105	55	4	**164**
Gynaecology	86	52	4	**142**
Urology	91	47	1	**139**
Haematology	86	50	1	**137**
Upper gastrointestinal surgery	84	49	3	**136**
Palliative care	68	65	2	**135**
Drug and alcohol	87	43	1	**131**
Plastic and reconstructive surgery	81	42	2	**125**

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

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

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

Sources: NPHED and NHMD.

Table 3.8: Number of public hospitals reporting more than 360 patient days for the 20 most common specialised clinical service units[(a)], by public hospital peer group[(b)], 2015–16

Specialised clinical unit	Principal referral	Women's and children's	Public acute group A	Public acute group B	Public acute group C	Public acute group D	Very small	Psychiatric	Subacute and non-acute	Other[(c)]	Total
General medicine	30	9	63	44	135	89	4	11	11	8	404
Respiratory medicine	30	6	63	44	112	45	1	1	1	6	309
Orthopaedics	30	6	63	45	68	21	2	0	1	2	238
Maintenance	24	0	37	26	55	51	20	0	16	1	230
Cardiology	30	6	62	44	75	7	0	0	1	1	226
Gastroenterology	30	7	63	43	72	4	0	0	1	3	223
Rehabilitation	25	6	52	34	36	14	2	0	32	2	203
Neurology	30	6	63	44	42	5	1	1	3	2	197
General surgery	30	9	63	44	41	1	0	0	1	2	191
Diagnostic gastrointestinal	30	6	60	30	39	1	0	0	0	4	170
Obstetrics	19	8	52	33	56	1	0	0	0	1	170
Renal dialysis	29	2	48	32	42	8	0	1	3	4	169
Psychiatry/mental health—acute	30	7	53	26	13	0	0	20	11	4	164
Gynaecology	27	7	58	32	15	0	0	0	0	3	142
Urology	30	7	60	28	12	0	0	0	0	2	139
Haematology	30	6	62	30	5	0	0	0	0	4	137
Upper gastrointestinal surgery	30	6	61	32	6	0	0	0	0	1	136
Palliative care	26	2	36	20	24	6	0	0	21	0	135
Drug and alcohol	30	5	56	24	5	0	0	8	0	3	131
Plastic and reconstructive surgery	30	6	52	27	9	0	0	0	0	1	125
Number of hospitals in peer group[(a)(b)]	**30**	**12**	**63**	**45**	**143**	**190**	**122**	**22**	**39**	**34**	**701**

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

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

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

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

Sources: NPHED and NHMD.

4 Who funded hospitals and how much did hospitals spend?

This chapter includes information about funds received and spent by public and private hospitals, for 2015–16 and over time. It includes:

- funding for public and private hospitals, for 2014–15 and over time
- the number of public hospitals by funding designation by state and territory for 2015–16
- recurrent expenditure by public hospitals by state and territory for 2015–16, and over time
- recurrent expenditure by private hospitals for 2015–16, and over time.

See Box 4.1 for information on funding and expenditure.

Key findings

Hospital funding

In 2014–15, public hospitals services were mainly funded by the Australian (38%) and state or territory (53%) governments, with about 9% of funding coming from non-government sources. In contrast, about 67% of private hospital funding came from non-government sources.

Between 2010–11 and 2014–15, funding for public hospitals increased by 4.7% on average each year (after adjusting for inflation), from $40 billion in 2010–11 to $48 billion in 2014–15.

Over the same period, funding for private hospitals increased by 7.1% on average each year (after adjusting for inflation), from $11 billion in 2010–11 to $14 billion in 2014–15.

Hospital expenditure

In 2015–16, recurrent expenditure on public hospital services was about $64 billion (including depreciation), with about $23 billion of this amount reported at the LHN level or state/territory health authority level. About 64% of total recurrent expenditure (excluding depreciation) was for salaries, wages and superannuation and *Administrative expenses* accounted for a further 7%.

About 57% of public hospital recurrent expenditure was for admitted patient care, 17% for non-emergency non-admitted patient care, 10% for emergency care services and about 2% for *Direct teaching, training and research*.

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

4.1 How were hospitals funded?

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

Box 4.1: Hospital funding

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

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

The information in this section was sourced from the AIHW's Health Expenditure Database (HED), which draws data from a wide variety of government and non-government sources. Hospital funding estimates can differ from hospital recurrent expenditure reported to the NPHED—for example, depending on the administrative structures and reporting practices in the jurisdiction.

This section presents information on who funded public and private hospitals for 2014–15, and between 2010–11 and 2014–15—expressed in both current and constant prices (see Box 4.2).

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

The financial data presented in tables 4.1 and 4.2 are sourced from the AIHW's HED (AIHW 2016c). Financial data reported for public hospital services from the HED for 2010–11 to 2014–15 are not directly comparable with the expenditure data reported from the NPHED for the same period. The HED financial data included trust fund expenditure and central office costs, whereas the NPHED did not. The HED data for public hospital services reflect only that part of public hospitals' expenses that were used in providing hospital services. That is, they exclude expenses incurred in providing community and public health services, dental care, patient transport services and health research undertaken by public hospitals.

Changes over time

Between 2010–11 and 2014–15, after adjusting for inflation, public hospital funding rose by an average of 4.7% each year (Table 4.1). Funding from non-government sources increased by an average of 7.2% each year, funding from the Australian Government increased by 3.5% each year and funding from state and territory governments increased by 5.2% each year.

Between 2010–11 and 2014–15, private hospital funding rose by an average of 7.1% each year. Funding from non-government sources increased by an average of 8.7% each year, and funding from the Australian Government and from state and territory governments increased by 3.5% and 7.8% each year, respectively.

Between 2013–14 and 2014–15, public hospital funding increased by 4.5% and private hospital funding increased by 8.4%.

Box 4.2: What methods were used?

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

The constant prices reported from the HED in Table 4.1 used the ABS's Government Final Consumption Expenditure, State and Local—Hospitals and Nursing Homes deflator for both public and private hospitals, expressed in terms of prices in the reference year 2014–15.

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

- for public hospitals, the ABS's Government Final Consumption Expenditure, State and Local—Hospitals and Nursing Homes deflator was used, expressed in terms of prices in the reference year 2014–15
- for private hospitals, the ABS's Household Final Consumption Expenditure deflator was used, expressed in terms of prices in the reference year 2014–15.

How were hospitals funded in 2014–15?

In 2014–15, the state and territory governments and the Australian Government provided most of the funds for public hospitals (Table 4.2); state and territory governments provided about 53% of public hospital funding and the Australian Government provided about 38%.

In 2014–15, about 67% of private hospital funding was non-government, and the Australian Government provided about 28%. Private health insurance (68%, including funding from both health insurance funds and the Australian Government rebate on health insurance premiums) and out-of-pocket payments by patients (11%) mainly fund private hospitals (AIHW 2016c).

Where to go for more information

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

- *Health expenditure Australia 2014–15* (AIHW 2016c)
- *National Health Reform public hospital funding, National report June 2016* (ANHFP 2016).

Table 4.1: Funding sources for public and private hospital services, constant prices[(a)] ($ million), 2010–11 to 2014–15

						Change (%)	
	2010–11	2011–12	2012–13	2013–14	2014–15	Average since 2010–11	Since 2013–14
Public hospitals							
Australian Government	15,861	16,454	16,492	16,948	18,170	3.5	7.2
State/territory government	20,821	22,880	23,690	24,949	25,493	5.2	2.2
Non-government	3,358	3,565	4,024	4,120	4,430	7.2	7.5
Total public hospitals	**40,040**	**42,899**	**44,118**	**46,016**	**48,094**	**4.7**	**4.5**
Private hospitals							
Australian Government	3,491	3,800	3,692	3,968	4,010	3.5	1.0
State/territory government	459	498	469	511	621	7.8	21.5
Non-government	6,868	7,147	8,099	8,642	9,588	8.7	11.0
Total private hospitals	**10,818**	**11,445**	**12,260**	**13,121**	**14,220**	**7.1**	**8.4**

(a) Expressed in terms of prices in the reference year 2014–15. The ABS Government Final Consumption Expenditure, State and Local—Hospitals and Nursing Homes deflator was used for both public and private hospitals.

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

Source: Health expenditure Australia 2014–15 (AIHW 2016c).

Table 4.2: Expenditure on public and private hospitals ($ million), by source of funds, 2014–15

	Public hospitals		Private hospitals	
	$ million	% of total	$ million	% of total
Australian Government	*18,170*	*37.8*	*4,010*	*28.2*
Rebates of health insurance premiums	431	0.9	2,808	19.7
Department of Veterans' Affairs	793	1.6	877	6.2
Other	16,946	35.2	325	2.3
State/territory government	25,493	53.0	621	4.4
Health insurance funds	1,060	2.4	6,913	48.6
Individuals	1,484	3.1	1,558	11.0
Other	1,886	3.9	1,117	7.9
Total	**48,094**	**100.0**	**14,220**	**100.0**

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

Source: Health expenditure Australia, 2014–15 (AIHW 2016c).

4.2 Commonwealth funding arrangements

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

Activity-based funded (ABF) hospitals receive funding based on the amount and type of activity. Block-funded hospitals are those that are considered not suitable for activity-based funding due to the inability to meet the technical requirements of ABF reporting, a lack of economy of scale or remoteness (IHPA 2015). The Independent Hospital Pricing Authority (IHPA), in consultation with jurisdictions, develops block-funding criteria and identifies whether hospital services and functions are eligible for block-funding only, activity-based funding only or mixed activity-based and block funding.

In 2015–16, 282 public hospitals were designated as activity-based funded hospitals and 409 public hospitals as block-funded (Table 4.3). The funding designation was not assigned for 10 hospitals.

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

Table 4.3: Public hospitals by Independent Hospital Pricing Authority funding designation[(a)], states and territories, 2015–16

	NSW	Vic[(b)]	Qld	WA	SA	Tas	ACT	NT	Total
Activity-based funded hospitals	96	89	35	29	24	3	2	4	282
Block-funded hospitals	127	58	87	63	53	19	1	1	409
Funding not designated	3	4	0	2	0	1	0	0	10
Total	**226**	**151**	**122**	**94**	**77**	**23**	**3**	**5**	**701**

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

(b) The number of public hospitals in Victoria is reported as a count of the campuses that reported separately to the NHMD in 2015–16, and for which the IHPA funding designation was reported for the NPHED. This differs from the number of hospitals reported to the NPHED, for which the Victorian forensic public psychiatric hospital campuses are counted separately.

Source: NPHED.

4.3 How much recurrent expenditure was reported?

This section presents information on public and private hospital expenditure on salaries and wages and goods and services for 2015–16. It includes information on expenditure over time, in both current and constant prices (see boxes 4.2 and 4.3).

Total recurrent expenditure on public hospital services for all administrative levels in 2015–16 (by public hospitals, LHNs and state/territory health authorities, combined) is presented by category of expenditure. For each administrative level, the total amount of recurrent expenditure on public hospital services is also presented.

Box 4.3: Hospital expenditure

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

Information on public hospital recurrent expenditure was sourced from the NPHED. In 2015–16, for all states and territories, the database included information on recurrent expenditure on public hospital services reported at the local hospital network level and at state/territory health authority level.

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

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

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

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

Changes over time

Public hospitals

In 2015–16, about $38.5 billion recurrent expenditure was reported at the public hospital level, $19.5 billion at the LHN level and $3.3 billion at the state/territory health authority level (Table 4.4).

The apparent decrease in recurrent expenditure by individual public hospitals between 2011–12 and 2015–16 (tables 4.4 and 4.5) reflects changes in the administrative levels of reporting between 2013–14 and 2015–16 (see Box 1.2).

The total recurrent expenditure information presented for 2014–15 and 2015–16 is not comparable with the total recurrent expenditure information presented for 2011–12 to 2013–14, as it includes expenditure at the LHN level and at the state/territory health

authority level (for 2014–15, excludes Queensland for both LHN level and at the state/territory health authority level). Therefore, percentage changes (increase or decrease) between 2011–12 and 2015–16 are not shown.

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

Table 4.4: Recurrent expenditure ($ million) (excluding depreciation), public hospitals, 2011–12 to 2015–16

							Change (%)	
		2011–12	2012–13[(a)]	2013–14	2014–15[(b)]	2015–16[(b)]	Average since 2011–12	Since 2014–15
Public hospitals								
	Current prices	40,384	41,741	44,435	36,621	38,540	n.p.	5.2
	Constant prices[(c)]	43,612	44,311	46,047	37,254	38,540	n.p.	3.5
Local hospital network								
	Current prices[(d)]	n.a.	n.a.	n.a.	15,376	19,539	n.p.	n.p.
	Constant prices[(c)(d)]	n.a.	n.a.	n.a.	15,642	19,539	n.p.	n.p.
State/territory health authority								
	Current prices[(d)]	n.a.	n.a.	n.a.	3,060	3,292	n.p.	n.p.
	Constant prices[(c)(d)]	n.a.	n.a.	n.a.	3,113	3,292	n.p.	n.p.
Total	**Current prices[(d)]**	**40,384**	**41,741**	**44,435**	**55,057**	**61,371**	**n.p.**	**n.p.**
	Constant prices[(c)(d)]	**43,612**	**44,311**	**46,047**	**56,009**	**61,371**	**n.p.**	**n.p.**

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

(b) For 2014–15 and 2015–16, recurrent expenditure includes expenditure at the LHN and state/territory health authority level (excluding Queensland for 2014–15). See Table 1.1 for information on the comparability of these data among states and territories.

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

(d) Change between 2014–15 and 2015–16 is not shown as the data at Local hospital network and State/territory health authority level were not comparable.

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

Source: NPHED.

Table 4.5: Recurrent expenditure on public hospital services ($ million, constant prices)[(a)] (excluding depreciation), states and territories, 2011–12 to 2015–16

	2011–12	2012–13	2013–14	2014–15	2015–16
New South Wales					
Public hospital	13,922	14,267	14,557	15,927	16,400
Local hospital network	n.a.	n.a.	n.a.	337	378
State/territory health authority	n.a.	n.a.	n.a.	2,398	2,354
Total	*13,922*	*14,267*	*14,557*	*18,662*	*19,132*
Victoria[(b)]					
Public hospital	10,424	10,658	11,041	0	0
Local hospital network	n.a.	n.a.	n.a.	12,706	13,441
State/territory health authority	n.a.	n.a.	n.a.	169	188
Total	*10,424*	*10,658*	*11,041*	*12,875*	*13,629*
Queensland[(c)]					
Public hospital	8,340	8,145	8,873	9,020	10,176
Local hospital network	n.a.	n.a.	n.a.	n.a.	1,947
State/territory health authority	n.a.	n.a.	n.a.	n.a.	31
Total	*8,340*	*8,145*	*8,873*	*9,020*	*12,154*
Western Australia					
Public hospital	4,788	5,107	5,194	5,559	5,835
Local hospital network	n.a.	n.a.	n.a.	2,389	2,521
State/territory health authority	n.a.	n.a.	n.a.	521	524
Total	*4,788*	*5,107*	*5,194*	*8,469*	*8,880*
South Australia[(d)]					
Public hospital	3,503	3,405	3,657	3,752	3,877
Local hospital network	n.a.	n.a.	n.a.	0	0
State/territory health authority	n.a.	n.a.	n.a.	22	24
Total	*3,503*	*3,405*	*3,657*	*3,774*	*3,901*
Tasmania[(e)]					
Public hospital	981	1,007	1,035	1,071	1,152
Local hospital network	n.a.	n.a.	n.a.	184	0
State/territory health authority	n.a.	n.a.	n.a.	0	172
Total	*981*	*1,007*	*1,035*	*1,255*	*1,324*
Australian Capital Territory[(f)]					
Public hospital	1,008	1,047	1,057	1,108	218
Local hospital network	n.a.	n.a.	n.a.	0	1,252
State/territory health authority	n.a.	n.a.	n.a.	0	0
Total	*1,008*	*1,047*	*1,057*	*1,108*	*1,470*

(continued)

Table 4.5 (continued): Recurrent expenditure on public hospital services ($ million, constant prices)[(a)] (excluding depreciation), states and territories, 2011–12 to 2015–16

	2010–11	2011–12	2012–13	2014–15	2015–16
Northern Territory[(g)]					
Public hospital	622	650	648	809	883
Local hospital network	n.a.	n.a.	n.a.	0	0
State/territory health authority	n.a.	n.a.	n.a.	0	0
Total	*622*	*650*	*648*	*809*	*883*
Total					
Public hospital	**43,612**	**44,311**	**46,047**	**37,254**	**38,540**
Local hospital network	**n.a.**	**n.a.**	**n.a.**	**15,642**	**19,539**
State/territory health authority	**n.a.**	**n.a.**	**n.a.**	**3,113**	**3,292**
Total recurrent expenditure	**43,612**	**44,311**	**46,047**	**56,009**	**61,371**

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

(b) For 2011–12 to 2013–14, Victorian recurrent expenditure reported by hospitals and hospital networks did not include expenditure incurred at the LHN level or state health authority level. For 2014–15 and 2015–16, recurrent expenditure on public hospital services incurred at the hospital level was reported at the LHN level.

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

(d) For South Australia, between 2011–12 and 2013–14, leave revaluations in other employee-related expenditure resulted in an apparent decrease in expenditure. In time series data, this may result in 2012–13 appearing to have an artificial reduction in expenditure. For 2014–15 and 2015–16, recurrent expenditure on public hospital services incurred at the LHN level were reported at either the hospital level or at the state health authority level.

(e) For Tasmania for 2014–15, recurrent expenditure incurred at the state health authority level was reported at either the hospital level or at the LHN level.

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

(g) For the Northern Territory for 2014–15 and 2015–16, recurrent expenditure incurred at the LHN level or the state health authority level was reported at the hospital level.

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

Source: NPHED.

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

Between 2011–12 and 2013–14, recurrent expenditure information on public hospitals reported to the NPHED was largely expenditure by hospitals and did not necessarily include all expenditure on hospital services by each state or territory government. For example, recurrent expenditure on the purchase of public hospital services at the state/territory or at the LHN level from privately owned and/or operated hospitals may not have been included.

For 2014–15 and 2015–16, recurrent expenditure reported to the NPHED includes expenditure on public hospital services by public hospitals, by LHNs and by state/territory health authorities and includes expenditure on the provision of contracted care by private hospitals. For more information, see 'Data reported for the public hospital administrative levels' in Chapter 1, Table 1.1 and boxes 1.1 and 1.2.

(continued)

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

In addition:

- For 2014–15 and 2015–16, for the purpose of reporting recurrent expenditure on public hospital services by public hospital peer group in this report, the AIHW assigned the recurrent expenditure reported by Victoria at LHN level to the 'major hospital' in the LHN—identified as the hospital with the greatest amount of admitted patient activity in the LHN.
- Queensland reclassified 46 very small reporting hospitals as non-hospital services that accounted for about $89 million of recurrent expenditure in 2013–14.
- For 2012–13, Queensland was not able to report recurrent expenditure information for 3 hospitals that accounted for about $540 million of recurrent expenditure (excluding depreciation) in 2013–14. In addition, for 2011–12 to 2014–15, expenditure on pathology services for Queensland was not reported as these were purchased from a state-wide pathology service rather than being provided by hospital employees.
- Tasmania reported estimated recurrent expenditure for all public hospitals.

Variation in expenditure on visiting medical officers may reflect differences in outsourcing arrangements. Variations in the outsourcing arrangements may also be reflected in variations in other recurrent expenditure categories reported in Table 4.5.

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

Private hospitals

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

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

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

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

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

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

How much recurrent expenditure was reported in 2015–16?

In 2015–16, recurrent expenditure on public hospital services was about $64 billion (including depreciation) (Table 4.7).

Excluding payments to *Visiting medical officers* and payments for outsourced services, salary payments (including superannuation) accounted for 64% of the total $61 billion (excluding depreciation) spent on public hospital services.

In 2015–16, *Depreciation* ranged from 2.9% of total expenditure in Tasmania to about 5.5% in Victoria.

In 2015–16, about 63% of recurrent expenditure on public hospital services was reported at the hospital level (excludes LHN-level reporting in Victoria, which is likely to be equivalent to the combination of hospital level and LHN level reporting for other jurisdictions) (Table 4.8).

Principal referral hospitals accounted for about 36% of recurrent expenditure on public hospital services and *Public acute group A* hospitals accounted for 26% (includes LHN level reporting in Victoria) (Table 4.8).

Salaries and wages expenditure (including superannuation) represented about two-thirds (63%, includes LHN-level data for Victoria) of total recurrent expenditure for all public hospitals (that is, excluding expenditure attributed to LHNs or state/territory health authorities). *Public acute group C* hospitals had the lowest proportion of expenditure on salaries and wages (59%) and *Psychiatric* hospitals had the highest proportion (70%).

Expenditure on *Medical and surgical supplies* accounted for less than 1% of expenditure in *Psychiatric* hospitals and almost 10% of expenditure in *Principal referral* hospitals.

About 32% of recurrent expenditure on public hospital services was reported at the LHN level and about 5% at the state/territory health authority level (includes data for Victoria) (Table 4.7).

At the state/territory health authority level, about 54% of expenditure was for salary and wages (Table 4.8). For LHNs, about 53% of expenditure was for salary and wages. LHNs accounted for about 39% of expenditure on *Patient transport* and 26% of *Lease costs*.

Where to go for more information

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

More information on hospital expenditure will be reported in *Health expenditure Australia 2015–16* (AIHW forthcoming).

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

Table 4.7: Recurrent expenditure ($'000), public hospital services, states and territories, 2015–16

	NSW[a]	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Salary and wages									
Salaried specialist medical officers	1,018,048	1,254,538	958,702	n.a.	380,054	110,090	96,203	n.a.	3,968,513
Other salaried medical officers	1,056,448	829,847	1,022,747	n.a.	262,666	107,518	114,743	n.a.	4,653,367
Salaried medical officers—total	*2,074,496*	*2,084,385*	*1,981,449*	*1,259,398*	*642,720*	*217,608*	*210,946*	*150,877*	*8,621,880*
Registered nurses	n.a.	2,889,553	2,789,401	1,642,288	879,164	297,064	280,852	220,241	8,998,562
Enrolled nurses	n.a.	375,967	253,267	0	146,024	28,299	18,425	8,590	830,571
Student nurses	n.a.	1,977	6,115	0	2,037	0	0	0	10,129
Trainee nurses	n.a.	4,670	125	0	0	0	0	0	4,795
Nurses—total	*4,502,912*	*3,272,167*	*3,048,907*	*1,642,288*	*1,027,226*	*325,363*	*299,276*	*228,831*	*14,346,971*
Diagnostic and allied health professionals	2,076,201	1,261,222	989,447	632,434	201,714	91,412	105,165	52,186	5,409,782
Administrative and clerical staff[b]	1,806,224	1,029,827	1,023,421	684,676	226,403	104,668	135,439	51,266	5,061,923
Domestic and other staff	706,640	416,889	648,291	354,245	80,675	82,475	18,538	50,504	2,358,258
Other personal care staff	0	125,203	154,544	0	43,152	0	33,167	763	356,829
Total salary and wages expenditure	*11,166,473*	*8,189,693*	*7,846,060*	*4,573,040*	*2,221,890*	*821,526*	*802,532*	*534,428*	*36,155,642*
Non-salary expenditure									
Payments to visiting medical officers	754,893	171,425	101,282	166,762	111,997	3,457	46,735	23,294	1,379,845
Superannuation	973,697	726,097	653,141	416,216	205,660	94,148	99,330	0	3,168,289
Drug supplies	780,528	814,383	553,480	332,217	225,170	70,877	59,072	42,096	2,877,824
Medical and surgical supplies	1,595,917	883,183	1,422,051	471,004	238,376	93,851	86,434	53,305	4,844,121
Food supplies	270,220	127,175	68,242	35,679	26,209	9,217	6,593	5,150	548,485
Domestic services	364,143	162,450	305,346	204,823	132,434	21,571	37,274	17,875	1,245,917
Repairs and maintenance	456,715	151,216	289,258	202,424	77,079	17,619	22,050	25,114	1,241,474
Patient transport	161,396	70,012	130,202	192,710	26,740	11,940	2,928	29,729	625,656
Administrative expenses—insurance	0	37,300	129,939	44,509	3,938	13,242	2,590	16	231,534

(continued)

Table 4.7 (continued): Recurrent expenditure ($'000) on public hospital services, states and territories, 2015–16

	NSW[a]	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Non-salary expenditure (continued)									
Administrative expenses—other	853,563	434,998	524,839	609,307	161,742	31,424	104,220	78,264	2,798,358
Administrative—total	*853,563*	*472,298*	*654,778*	*653,816*	*165,680*	*44,666*	*106,811*	*78,281*	*3,029,891*
Interest payments	5,250	100,642	0	18,034	1,300	0	72	0	125,298
Depreciation—buildings	575,870	484,551	367,119	179,183	101,014	26,855	19,505	26,520	1,780,616
Depreciation—other	203,846	312,557	185,174	132,630	32,917	12,291	28,997	4,443	912,856
Depreciation—total	*779,716*	*797,108*	*552,293*	*311,813*	*133,931*	*39,146*	*48,502*	*30,963*	*2,693,472*
Lease costs	124,997	49,006	63,600	58,838	4,690	3,799	12,292	830	318,052
Other	22,862	101,932	462	5,904	154,486	9,461	1,580	33	296,719
Non-salary expenditure, n.e.c.	1,601,788	1,609,263	66,653	1,547,993	308,687	120,951	186,329	72,671	5,514,335
Total non-salary expenditure	*8,745,684*	*6,236,190*	*4,860,788*	*4,618,232*	*1,812,437*	*540,704*	*716,001*	*379,340*	*27,909,378*
Total recurrent expenditure, excluding depreciation	**19,132,442**	**13,628,775**	**12,154,556**	**8,879,458**	**3,900,395**	**1,323,084**	**1,470,032**	**882,805**	**61,371,548**
Public acute hospitals	18,608,094	13,567,300	12,037,417	8,766,789	3,791,847	1,284,641	1,470,032	882,805	60,408,925
Public psychiatric hospitals	524,347	61,476	117,139	112,670	108,548	38,443	. .	. .	962,623
Total recurrent expenditure, including depreciation	**19,912,158**	**14,425,883**	**12,706,849**	**9,191,272**	**4,034,327**	**1,362,230**	**1,518,534**	**913,768**	**64,065,020**
Public acute hospitals	19,365,772	14,362,551	12,585,094	9,075,476	3,921,931	1,323,156	1,518,534	913,768	63,066,280
Public psychiatric hospitals	546,386	63,333	121,755	115,796	112,396	39,074	. .	. .	998,740
Total recurrent expenditure, including depreciation									
Public hospital-level[c]	*17,098,609*	*0*	*10,645,544*	*6,089,973*	*4,010,582*	*1,188,185*	*223,513*	*913,768*	*40,170,174*
Local hospital network-level[d]	*399,649*	*14,232,926*	*2,029,900*	*2,569,287*	*0*	*0*	*1,295,021*	*0*	*20,526,782*
State/territory health authority-level[e]	*2,413,900*	*192,957*	*31,405*	*532,012*	*23,745*	*174,045*	*0*	*0*	*3,368,064*
Total recurrent expenditure, including depreciation	**19,912,158**	**14,425,883**	**12,706,849**	**9,191,272**	**4,034,327**	**1,362,230**	**1,518,534**	**913,768**	**64,065,020**

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

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

(c) The total at *Public hospital level* does not include Victorian recurrent expenditure incurred in public hospitals. It includes recurrent expenditure incurred at the LHN level for South Australia and Tasmania and at the LHN level and at state/territory health authority level for the Northern Territory. For the Australian Capital Territory, expenditure for The Canberra Hospital is included at the LHN level.

(d) The total at *Local hospital network level* also includes Victorian recurrent expenditure incurred in public hospitals and at the state health authority level, and expenditure for The Canberra Hospital for the Australian Capital Territory. It does not include recurrent expenditure incurred at the LHN level for South Australia, Tasmania and the Northern Territory.

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

Note: See boxes 1.2, 4.4 and 4.5 for notes on data limitations and methods.

Source: NPHED.

Table 4.8: Recurrent expenditure ($'000), by public hospital peer group/other administrative level, 2015–16

	Principal referral	Women's and children's	Public acute group A	Public acute group B	Public acute group C	Public acute group D	Very small	Psychiatric	Subacute and non-acute	All public hospitals[(a)]	Local hospital network[(b)]	State\ territory health authority	Total
Salary and wages													
Salaried medical officers—total	*3,732,343*	*712,219*	*2,528,482*	*504,735*	*253,183*	*84,897*	*5,389*	*92,709*	*33,188*	*8,053,488*	*448,827*	*119,565*	*8,621,880*
Nurses—total	*5,277,905*	*887,055*	*4,201,772*	*937,827*	*957,990*	*402,060*	*134,279*	*355,806*	*128,306*	*13,408,769*	*873,482*	*64,720*	*14,346,971*
Diagnostic and allied health professionals	1,885,230	279,574	1,138,567	191,989	195,650	46,465	7,932	75,469	60,776	*4,009,666*	613,857	786,259	5,409,782
Administrative and clerical staff	1,569,983	295,572	1,175,103	248,258	253,853	86,284	25,900	81,207	28,767	*3,841,066*	725,377	495,480	5,061,923
Domestic and other staff	632,237	71,925	568,065	146,581	205,283	108,241	39,686	36,442	17,755	*1,846,048*	282,049	230,160	2,358,258
Other personal care staff	107,760	7,881	67,966	15,695	37,359	19,728	10,197	729	3,566	*272,197*	84,596	36	356,829
Total salary and wages expenditure	*13,205,458*	*2,254,226*	*9,679,955*	*2,045,085*	*1,903,317*	*747,676*	*223,383*	*642,363*	*272,358*	*31,431,234*	*3,028,188*	*1,696,221*	*36,155,642*
Non-salary expenditure													
Payments to visiting medical officers	305,192	37,652	467,806	177,016	244,981	50,173	9,720	14,542	2,237	*1,325,854*	50,938	3,053	1,379,845
Superannuation	1,166,806	195,404	846,400	181,915	160,333	62,739	20,036	59,543	21,167	*2,755,819*	294,312	118,157	3,168,289
Drug supplies	1,584,122	149,340	711,952	98,323	75,852	13,551	2,646	20,262	4,994	*2,708,314*	121,828	47,681	2,877,824
Medical and surgical supplies	2,274,183	207,294	1,452,780	305,256	185,762	39,280	5,672	9,242	7,086	*4,536,194*	207,739	100,188	4,844,121
Food supplies	172,319	24,141	166,920	40,565	47,739	28,981	8,657	14,581	9,901	*517,041*	30,866	578	548,485
Domestic services	434,613	59,719	336,183	83,333	93,207	42,366	14,662	23,499	9,483	*1,107,659*	131,436	6,823	1,245,917
Repairs and maintenance	465,638	50,476	266,765	62,148	77,525	33,768	11,762	23,996	10,190	*1,013,041*	143,596	84,838	1,241,474

(continued)

Table 4.8 (continued): Recurrent expenditure ($'000), by public hospital peer group/other administrative level, 2015–16

	Principal referral	Women's and children's	Public acute group A	Public acute group B	Public acute group C	Public acute group D	Very small	Psychiatric	Subacute and non-acute	All public hospitals[a]	Local hospital network[b]	State territory health authority	Total
Non-salary expenditure													
Patient transport	75,101	11,712	122,150	33,331	86,445	40,507	7,109	1,384	2,136	*381,188*	244,220	249	625,656
Administrative expenses—insurance	63,015	38,971	63,164	10,682	7,379	3,549	823	2,410	184	*190,904*	39,105	1,525	231,534
Administrative expenses—other	1,075,006	164,133	655,741	191,551	184,005	77,788	22,511	61,714	36,431	*2,525,500*	202,120	70,737	2,798,358
Administrative—total	*1,138,021*	*203,104*	*718,904*	*202,233*	*191,384*	*81,337*	*23,335*	*64,124*	*36,615*	*2,716,404*	*241,225*	*72,262*	*3,029,891*
Interest payments	37,123	75,279	3,330	114	602	315	167	19	8	*121,510*	3,691	96	125,298
Depreciation—buildings	715,209	72,441	487,066	81,332	135,412	64,856	21,036	29,442	8,544	*1,639,445*	121,206	19,965	1,780,616
Depreciation—other	350,500	86,719	208,554	32,085	50,421	16,022	6,407	4,817	4,475	*780,616*	74,527	55,856	912,856
Depreciation—total	*1,065,709*	*159,159*	*695,621*	*113,417*	*185,833*	*80,878*	*27,443*	*36,116*	*13,019*	*2,421,918*	*195,733*	*75,821*	*2,693,472*
Lease costs	72,342	6,102	54,410	18,023	24,725	10,730	1,797	3,303	2,267	*196,084*	82,327	39,641	318,052
Other	121,066	20,123	82,718	11,399	21,926	6,013	3,519	9,351	6,684	*287,008*	4,759	4,952	296,719
Non-salary expenditure, n.e.c.	1,014,527	243,565	865,640	156,956	182,194	55,334	22,045	76,414	75,415	*2,883,833*	1,512,998	1,117,504	5,514,335
Total non-salary expenditure[c]	*9,926,762*	*1,443,069*	*6,791,579*	*1,484,029*	*1,578,509*	*545,972*	*158,570*	*356,376*	*201,202*	*22,971,866*	*3,265,668*	*1,671,843*	*27,909,378*
Total recurrent expenditure, excluding depreciation	**22,066,511**	**3,538,136**	**15,775,914**	**3,415,696**	**3,295,993**	**1,212,771**	**354,510**	**962,623**	**460,541**	***51,981,182***	**6,098,123**	**3,292,243**	**61,371,548**
Total recurrent expenditure, including depreciation	**23,132,220**	**3,697,295**	**16,471,534**	**3,529,113**	**3,481,826**	**1,293,649**	**381,953**	**998,740**	**473,561**	***54,403,100***	**6,293,856**	**3,368,064**	**64,065,020**

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

(b) Victorian data reported at the LHN level were attributed by the AIHW to the peer group of the 'major hospital' (based on the amount of admitted patient activity) within each LHN, and therefore may be inaccurate.

(c) Total non-salary expenditure also includes administrative expenses, interest payments, depreciation, and other recurrent expenditure.

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

Source: NPHED.

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

This section presents information on public hospital expenditure for National Health Reform Agreement (NHRA) 2011 product streams in 2015–16. Estimates of public hospital recurrent expenditure were reported for:

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

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

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

In 2015–16:

- *Admitted patient care* accounted for 57% of recurrent expenditure on public hospital services (Table 4.9), ranging from 42% for Western Australia to 75% for the Northern Territory
- *Non-admitted patient care* accounted for about 27% of recurrent expenditure, ranging from 14% for Tasmania to 35% for Queensland, and:
  - nationally, non-emergency non-admitted patient care (including services both in- and out of scope for the NHRA) accounted for 65% of this expenditure
  - *Emergency care services* accounted for 35% of this expenditure.
- *Direct teaching, training and research* accounted for about 2% of recurrent expenditure, ranging from 0% in the Northern Territory to 3% in New South Wales, Western Australia and Tasmania.

Table 4.9: Estimated recurrent expenditure ($'000) (including depreciation), by NHRA product streams, public hospital services, states and territories, 2015–16

	NSW	Vic	Qld	WA	SA	Tas	ACT[a]	NT	Total
Admitted acute care	9,866,977	8,137,365	6,167,786	3,572,920	2,635,660	716,918	n.a.	666,782	31,764,407
Admitted subacute care	1,376,834	660,089	660,480	255,770	210,825	71,116	n.a.	17,848	3,252,962
Other admitted care	186,073	57,411	129,449	62,227	40,218	16,549	n.a.	0	491,926
Admitted care–total	*11,429,883*	*8,854,865*	*6,957,715*	*3,890,917*	*2,886,704*	*804,582*	n.a.	*684,630*	*35,509,296*
Emergency care services	2,595,476	1,009,635	1,296,843	771,921	324,249	42,130	n.a.	101,720	6,141,973
Non-admitted care (in-scope for NHRA)	3,617,543	1,457,054	2,593,903	1,570,345	631,798	143,915	n.a.	127,418	10,141,976
Direct training, teaching and research	677,657	0	127,579	288,025	101,255	39,035	n.a.	0	1,233,551
Aged care–total	173,250	784,756	91,687	133,968	0	8,561	n.a.	0	1,192,222
Total in-scope for NHRA	*18,493,809*	*12,106,310*	*11,067,727*	*6,655,176*	*3,944,005*	*1,038,223*	n.a.	*913,768*	*54,219,018*
Non-admitted care (out of scope for NHRA)	620,284	22,297	511,967	45,223	12,403	0	n.a.	0	1,212,175
Other (out of scope for NHRA)	798,064	2,297,276	1,127,155	2,462,863	77,918	313,784	n.a.	0	7,077,060
Total out of scope for NHRA	*1,418,348*	*2,319,574*	*1,639,122*	*2,508,086*	*90,321*	*313,784*	n.a.	*0*	*8,289,235*
Expenditure not allocated	0	0	0	28,010	0	10,223	1,518,534	0	1,556,767
Total recurrent expenditure	**19,912,158**	**14,425,883**	**12,706,849**	**9,191,272**	**4,034,327**	**1,362,230**	**1,518,534**	**913,768**	**64,065,020**
Public hospital-level	*17,098,609*	*0*	*10,645,544*	*6,089,973*	*4,010,582*	*1,188,185*	*223,513*	*913,768*	*40,170,174*
Local hospital network-level	*399,649*	*14,232,926*	*2,029,900*	*2,569,287*	*0*	*0*	*1,295,021*	*0*	*20,526,782*
State/territory health authority-level	*2,413,900*	*192,957*	*31,405*	*532,012*	*23,745*	*174,045*	*0*	*0*	*3,368,064*
Total recurrent expenditure	**19,912,158**	**14,425,883**	**12,706,849**	**9,191,272**	**4,034,327**	**1,362,230**	**1,518,534**	**913,768**	**64,065,020**

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

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

5 How many people were employed?

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

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

For public hospitals, total FTE staff numbers (and average salaries) from all administrative levels in 2015–16 (public hospitals, LHNs and state/territory health authorities, combined) is presented by category of staffing. For each administrative level, the total FTE staff numbers are also presented.

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

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

Key findings

Staff employed in providing public hospital services

Nationally, about 360,000 FTE staff were employed in providing public hospital services in 2015–16. Of these, about 307,000 were employed in hospitals (after adjusting for Victorian staff reported at the LHN level), 30,000 at the LHN level and 22,000 at the health authority level.

About 45% (140,000 FTE) of public hospital staff employed in hospitals were *Nurses*, while the 40,000 FTE *Salaried medical officers* represented about 13% of the public hospital labour force.

About 35% of FTE staff (126,000) in the public hospital sector were employed in *Principal referral* hospitals and 27% in *Public acute group A* hospitals.

In LHNs and state/territory health authorities, *Administrative and clerical staff* (13,000) accounted for about 27% of staff.

Average salaries

In 2015–16, the average salary for FTE *Nurses* employed in providing public hospital services across all jurisdictions in 2015–16 was about $96,200. The average salary for FTE *Salaried medical officers* was about $193,500.

Between 2011–12 and 2015–16, average salaries for nurses and salaried medical officers employed in providing public hospital services increased by 1.9% and 1.5% on average each year, respectively.

Staff in private hospitals

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

5.1 How many staff provided public hospital services?

This section presents information on staff employed in providing public hospital services over time and for 2015–16.

Changes over time

The numbers of FTE staff reported for the NPHED between 2011–12 and 2015–16 are shown in Table 5.1.

Due to changes in the scope of reporting, the information about staffing presented for 2014–15 and 2015–16 is not comparable with that presented for 2011–12 to 2013–14. See Box 5.1 for more information.

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

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

How many staff were employed in providing public hospital services in 2015–16?

Nationally, almost 221,000 FTE staff were reported at the individual public hospital level in 2015–16, and a further 138,000 were reported at the LHN level or state/territory health authority level (Table 5.2).

The 149,000 *Nurses* accounted for 41% of staff employed in providing public hospital services. After allocating staffing data for Victoria to the public hospital level, it is estimated that, nationally, about 140,000 FTE *Nurses* were employed at the hospital level (LHN level reporting in Victoria is likely to be equivalent to the combination of hospital level and LHN level reporting for other jurisdictions, and so this estimate may be inaccurate). *Nurses* accounted for 45% of public hospital staff (Table 5.3).

See Table 1.1 for more information on the comparability of staffing information reported for the NPHED.

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

Staffing information for public hospitals for 2011–12 to 2013–14 was largely staff employed by individual hospitals, and did not include all staff employed by state or territory governments for the provision of public hospital services.

For 2014–15 and 2015–16, staffing information reported to the NPHED includes FTE staff reported for public hospitals, for LHNs and for state/territory health authorities. For more information, see 'Chapter 1 Data reported for the public hospital administrative levels', Table 1.1 and boxes 1.1 and 1.2. In addition, for 2015–16:

- For the purpose of reporting staff employed in providing public hospital services by public hospital peer group in Table 5.3, the AIHW assigned the staffing information reported at LHN level by Victoria to the 'major hospital' in the LHN—identified as the hospital with the greatest amount of admitted patient activity in the LHN. Therefore, the numbers of staff employed by public hospital peer groups in Table 5.3 may be inaccurate.
- For Western Australia and the Northern Territory, Salaried medical officers were not disaggregated into *Specialist medical officers* and *Other salaried medical officers*.
- Western Australia reported estimated staffing information and associated salaries for 3 private hospitals delivering public hospital services.
- For South Australia, all public hospital salaries for administrative, clerical, domestic and other personal care staff were estimated. However, total salary expenditure was actual (not estimated) for South Australian public hospitals.
- Tasmania reported estimated staffing information and associated salaries information for all hospitals.

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

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

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

Overall, there were almost 45,000 FTE *Salaried medical officers*, who represented about 12% of staff employed in providing public hospital services. About 27% of *Salaried medical officers* were reported as *Specialist salaried medical officers.* About 40,000 FTE *Salaried medical officers* were employed at the hospital level, and these accounted for 13% of public hospital staff.

About 38% of FTE staff (126,500) employed in providing public hospital services were employed in *Principal referral* hospitals, including about 55,000 FTE *Nurses* (Table 5.3). *Public acute group A* hospitals accounted for about 27% of FTE staff.

The proportion of FTE staff in the *Nurses* category ranged from 44% in *Principal referral* hospitals to 55% in *Psychiatric* hospitals.

About 26% of FTE staff employed at state/territory health authority level and 27% of FTE staff employed at the LHN level were *Administrative and clerical staff*.

Table 5.1: Average full-time equivalent staff[(a)], by staffing category, public hospital services, 2011–12 to 2015–16

	2011–12	2012–13[(b)]	2013–14[(c)]	2014–15[(d)]	2015–16[(d)]
Salaried medical officers—total[(e)]					
Public hospital	34,293	35,124	37,086	39,494	40,445
Local hospital network	n.a.	n.a.	n.a.	383	1,855
State/territory health authority	n.a.	n.a.	n.a.	2,112	2,265
All administrative levels	*34,293*	*35,124*	*37,086*	*41,989*	*44,565*
Nurses—total					
Public hospital	123,368	124,584	130,399	137,744	139,572
Local hospital network	n.a.	n.a.	n.a.	2,135	8,321
State/territory health authority	n.a.	n.a.	n.a.	438	1,244
All administrative levels	*123,368*	*124,584*	*130,399*	*140,317*	*149,138*
Diagnostic and allied health professionals					
Public hospital	37,175	38,753	41,074	41,941	42,902
Local hospital network	n.a.	n.a.	n.a.	1,980	5,953
State/territory health authority	n.a.	n.a.	n.a.	2,184	7,666
All administrative levels	*37,175*	*38,753*	*41,074*	*46,105*	*56,520*
Administrative and clerical staff[(f)]					
Public hospital	42,339	42,839	44,336	47,751	49,066
Local hospital network	n.a.	n.a.	n.a.	3,520	8,385
State/territory health authority	n.a.	n.a.	n.a.	9,569	5,875
All administrative levels	*42,339*	*42,839*	*44,336*	*60,840*	*63,327*
Domestic and other personal care staff					
Public hospital	33,675	33,403	34,341	35,491	35,092
Local hospital network	n.a.	n.a.	n.a.	1,015	5,604
State/territory health authority	n.a.	n.a.	n.a.	4,836	5,378
All administrative levels	*33,675*	*33,403*	*34,341*	*41,341*	*46,075*
All staff					
Public hospital	**270,851**	**274,703**	**287,236**	**302,421**	**307,078**
Local hospital network	**n.a.**	**n.a.**	**n.a.**	**9,033**	**30,119**
State/territory health authority	**n.a.**	**n.a.**	**n.a.**	**19,138**	**22,428**
All administrative levels	**270,851**	**274,703**	**287,236**	**330,592**	**359,625**

(a) Where average full-time equivalent staff numbers were not available, staff numbers at 30 June 2016 were used. Staff contracted to provide products (rather than labour) are not included.

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

(c) For 2013–14, data for 2 small hospitals in Tasmania were not supplied.

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

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

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

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

Source: NPHED.

Table 5.2: Average full-time equivalent staff[(a)], by staffing category, public hospital services, states and territories, 2015–16

	NSW[(b)]	Vic[(c)]	Qld	WA[(d)]	SA	Tas[(e)]	ACT	NT	Total
All levels of reporting									
Specialist salaried medical officers[(f)]	3,855	3,637	2,479	n.a.	995	299	289	n.a.	n.a.
Other salaried medical officers[(f)]	8,962	6,812	6,892	n.a.	2,072	614	588	n.a.	n.a.
Salaried medical officers—total[(f)]	*12,816*	*10,449*	*9,371*	*6,491*	*3,066*	*913*	*877*	*581*	*44,565*
Registered nurses	n.a.	32,143	26,349	15,303	8,860	3,019	2,767	1,761	n.a.
Enrolled nurses	n.a.	5,012	3,255	0	1,992	361	262	98	n.a.
Student nurses	n.a.	30	79	0	39	0	0	0	n.a.
Trainee nurses	n.a.	66	1	0	0	0	0	0	n.a.
Nurses—total	*47,754*	*37,241*	*29,683*	*15,302*	*10,891*	*3,380*	*3,028*	*1,859*	*149,138*
Diagnostic and allied health professionals	22,578	14,736	9,215	4,992	2,459	956	1,094	491	56,520
Administrative and clerical staff[(g)]	21,779	14,106	12,577	8,571	2,639	1,500	1,531	624	63,327
Domestic and other personal care staff	13,935	9,602	12,136	5,021	2,450	1,411	803	717	46,075
Total	**118,862**	**86,134**	**72,983**	**40,377**	**21,505**	**8,160**	**7,333**	**4,272**	**359,625**
Administrative level									
Public hospital[(h)]	99,240	0	58,137	29,844	21,505	6,883	1,063	4,272	220,944
Local hospital network[(i)]	2,321	85,722	14,833	6,694	0	0	6,270	0	115,841
State/territory health authority[(j)]	17,301	412	12	3,838	0	1,277	0	0	22,840
Total	**118,862**	**86,134**	**72,983**	**40,377**	**21,505**	**8,160**	**7,333**	**4,272**	**359,625**

(a) Where average FTE staff numbers were not available, staff numbers at 30 June 2016 were used. Staff contracted to provide products (rather than labour) are not included.

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

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

(d) For Western Australia and the Northern Territory, *Salaried medical officers* were not disaggregated into *Specialist medical officers* and *Other salaried medical officers*.

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

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

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

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

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

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

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

Table 5.3: Average full-time equivalent staff[(a)], by staffing category and public hospital peer group/other administrative level, public hospital services, 2015–16

	Principal referral	Women's and children's	Public acute group A	Public acute group B	Public acute group C	Public acute group D	Very small	Psychiatric	Subacute and non-acute	All public hospitals[(b)]	Local hospital network[(b)]	State/territory health authority	Total
Specialist salaried medical officers[(c)(d)]	5,788	1,031	3,379	467	164	30	3	199	64	11,312	531	292	12,134
Other salaried medical officers[(c)(d)]	13,660	2,202	9,700	1,974	680	258	14	269	113	29,126	1,325	1,980	32,431
Salaried medical officers—total[(d)]	*19,449*	*3,232*	*13,079*	*2,441*	*844*	*288*	*17*	*469*	*177*	*40,438*	*1,855*	*2,272*	*44,565*
Nurses—total	*55,442*	*8,949*	*44,033*	*9,448*	*9,886*	*4,096*	*1,384*	*3,614*	*1,382*	*139,554*	*8,321*	*1,262*	*149,138*
Diagnostic and allied health professionals	19,791	2,969	12,290	1,961	2,197	493	98	849	703	42,684	5,953	7,884	56,520
Administrative and clerical staff[(e)]	19,896	3,667	15,240	3,105	3,253	1,094	321	990	359	48,900	8,385	6,041	63,327
Domestic and other personal care staff	11,891	1,283	10,673	2,613	4,126	2,277	874	691	324	35,089	5,604	5,381	46,075
Total	**126,469**	**20,101**	**95,316**	**19,567**	**20,306**	**8,248**	**2,694**	**6,613**	**2,946**	**306,666**	**30,119**	**22,840**	**359,625**

(a) Where average FTE staff numbers were not available, staff numbers at 30 June 2016 were used. Staff contracted to provide products (rather than labour) are not included.

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

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

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

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

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

Source: NPHED.

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

This section presents information on average salaries for FTE staff providing public hospital services in 2015–16, and over time for staff providing public hospitals services.

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

Changes over time

Between 2011–12 and 2015–16, the average salary for staff employed in providing public hospital services increased by 2.0% on average each year. Over the same period, public hospital average salaries for *Nurses* and *Salaried medical officers* increased by 1.9% and 1.5% on average each year, respectively.

Changes in average salary for staff providing public hospital services between 2011–12 and 2015–16 are affected by changes in the provision of staffing information and information about recurrent expenditure on salary and wages among jurisdictions.

Therefore, these data should be interpreted with caution. See Box 5.1 for more information.

What were the average salaries for staff employed in providing public hospital services in 2015–16?

In 2015–16, the overall average FTE salary for staff providing public hospital services ranged from around $93,900 in New South Wales to $125,100 in the Northern Territory (Table 5.5).

The average salary for FTE *Nurses* ranged from around $87,900 in Victoria to about $123,100 in the Northern Territory. For FTE *Salaried medical officers*, the average salary ranged from about $161,900 in New South Wales to $259,700 in the Northern Territory.

Table 5.4: Average salaries[(a)] ($, current prices), for FTE staff employed in providing public hospital services, 2011–12 to 2015–16

	2011–12[(b)]	2012–13[(b)]	2013–14[(b)]	2014–15[(c)]	2015–16[(c)]
Salaried medical officers[(d)]	181,950	182,609	188,493	187,549	193,466
Nurses	89,235	89,971	91,232	93,907	96,199
Diagnostic and allied health professionals	80,094	79,961	83,622	105,960	95,714
Administrative and clerical staff[(e)]	66,205	68,122	70,235	73,067	79,934
Domestic and other personal care staff	62,868	63,209	62,478	58,936	58,928
All staff	**92,841**	**93,742**	**96,023**	**99,273**	**100,537**

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

(b) For 2011–12 to 2013–14, staffing information did not include staff employed at the LHN level or state health authority level.

(c) For 2014–15 and 2015–16, staff employed in providing public hospital services at the LHN level or state health authority level were included. Therefore, the average salaries reported for both these years are not comparable with earlier years.

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

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

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

Source: NPHED; data reported for the PHE NMDS and the LHN DSS were used.

Table 5.5: Average salaries[(a)] ($), full-time equivalent staff[(b)], public hospital services, states and territories, 2015–16

	NSW[(c)]	Vic[(d)]	Qld	WA[(e)]	SA	Tas[(f)]	ACT	NT[(e)]	Total
Specialist salaried medical officers[(g)(h)]	264,099	344,938	386,795	n.a.	382,112	367,703	332,883	n.a.	327,047
Other salaried medical officers[(g)(h)]	117,887	121,821	148,386	n.a.	126,789	175,093	195,141	n.a.	143,486
Salaried medical officers—total	*161,864*	*199,482*	*211,443*	*194,016*	*209,609*	*238,224*	*240,532*	*259,686*	*193,466*
Registered nurses	n.a.	89,897	105,863	107,320	99,229	98,408	101,500	125,066	n.a.
Enrolled nurses	n.a.	75,013	77,813	. .	73,300	78,419	70,324	n.p.	n.a.
Student nurses	n.a.	n.p.	n.p.	. .	52,283	. .	. .	. .	n.a.
Trainee nurses	n.a.	n.p.	n.p.	. .	. .	. .	. .	. .	n.a.
Nurses—total	*94,294*	*87,865*	*102,714*	*107,325*	*94,318*	*96,273*	*98,836*	*123,094*	*96,199*
Diagnostic and allied health professionals	91,959	85,588	107,375	126,691	82,016	95,644	96,129	106,286	95,714
Administrative and clerical staff[(i)]	82,934	73,006	81,371	79,885	85,807	69,773	88,464	82,158	79,934
Domestic and other personal care staff	50,711	56,456	66,152	70,557	50,542	58,445	64,391	71,502	58,928
Total	**93,945**	**95,081**	**107,506**	**113,260**	**103,318**	**100,676**	**109,441**	**125,100**	**100,537**

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

(b) Where average FTE staff numbers were not available, staff numbers at 30 June 2016 were used. Staff contracted to provide products (rather than labour) are not included. FTE counts of less than 100 are not published.

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

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

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

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

(g) The total average salaries for *Specialist salaried medical officers* and *Other salaried medical officers* do not include salaries for these categories in Western Australia or the Northern Territory.

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

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

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

Source: NPHED.

5.3 How many staff worked in private hospitals?

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

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

In 2015–16:

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

Where to go for more information

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

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

Appendix A: Database quality statement summary

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

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

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

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

National Public Hospital Establishments Database

For 2015–16, the NPHED is based on the Public hospital establishments National Minimum Data Set (PHE NMDS) and the Local hospital network Data Set Specification (LHN DSS).

The reference period for this data set is 1 July 2015 to 30 June 2016.

Public hospital establishments National Minimum Data Set

The PHE NMDS is defined in the *National health data dictionary*, versions 16, 16.1 and 16.2 (AIHW 2012, 2015b, 2015c) and in the AIHW's METeOR (METeOR identifier 600230).

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

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

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

Local hospital network Data Set Specification

The LHN DSS is defined in the *National health data dictionary*, versions 16.1 and 16.2 (AIHW 2015b, 2015c) and in the AIHW's METeOR (METeOR identifier 555334).

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

The scope of the LHN DSS is:

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

Excluded from the LHN DSS scope are establishments which report to the PHE NMDS.

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

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

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

The reference period for this data set is 1 July 2015 to 30 June 2016.

Summary of key issues

- In 2015–16, the NPHED included all public hospitals. It also included LHN-level and/or state/territory health authority-level reporting for all states and territories.
- At the time of publication, there were no known issues with the Australian Capital Territory data contained in this report. However, the Australian Capital Territory is undergoing a system-wide review of ACT Health data and reporting, that will be finalised 31 March 2018.
- In 2015–16, there was variation among states and territories in the administrative levels at which revenue, recurrent expenditure and staffing information were reported, including:
  - New South Wales reported this information for all 3 administrative levels.
  - Victoria reported information at the LHN and state health authority levels, and none at the public hospital level. Before 2014–15, Victoria reported this information at the network level for hospitals within networks that consisted of more than one hospital, and at the hospital level for LHNs that consisted of individual hospitals. LHN-level reporting in Victoria is therefore likely to be equivalent to the combination of hospital level and LHN-level reporting for other jurisdictions.
  - Queensland reported this information for all 3 administrative levels.
  - Western Australia reported this information for all 3 administrative levels.
  - South Australia reported this information at the hospital level only. Data attributable to the LHN level and state health authority level were included in the data provided at the hospital level.

- Tasmania reported this information at the hospital level and at the state health authority level. Information reported at the hospital and state health authority levels include information attributable to the LHN level.
- The Australian Capital Territory reported this information at the hospital and LHN levels. Data reported at the LHN level include information for The Canberra Hospital. Data attributable to the territory health authority level were included in the data provided at the hospital and LHN levels.
- the Northern Territory reported this information at the hospital level and data attributable to the LHN level and territory health authority level were included in the data reported at the hospital level.

- *Capital expenditure*, *Available beds for admitted contracted care* and *Recurrent expenditure on contracted care* are not reported in this publication. For 2015–16, not all jurisdictions were able to report these data, and the comparability of the data was not adequate for reporting.
- *Revenue* data are not reported in this publication. For 2015–16, there were inconsistencies between the data reported against the *National Health Funding Pool* (NHFP) categories and those reported by the Administrator of the NHFP (ANHFP 2016). In addition, the data were not comparable among jurisdictions and were inconsistent with the data reported for recurrent expenditure.
- Differences in accounting, counting and classification practices across jurisdictions and over time may affect the comparability of these data. There was apparent variation between states and territories in the reporting of revenue, recurrent expenditure, depreciation, available beds and staffing categories.
- Comparability of bed numbers can be affected by the range and types of patients treated by a hospital (casemix), with, for example, different proportions of beds being available for special and more general purposes.
- The collection of data by staffing category is not consistent among states and territories.
- The outsourcing of services with a large labour-related component (such as food services and domestic services) can have a substantial impact on estimates of costs, and this can vary among jurisdictions.
- The number of hospitals reported can be affected by administrative and/or reporting arrangements and is not necessarily a measure of the number of physical hospital buildings or campuses. For example:
  - Between 2013–14 and 2014–15, 46 very small reporting hospitals in Queensland and 3 establishments in South Australia that were previously classified as hospitals were reclassified as non-hospital facilities, accounting for most of the resulting decrease in the national number of public hospitals. In addition, the Mater Children's Hospital and Royal Children's Hospital (both in Queensland) closed. A hospice in New South Wales and an aged care/rehabilitation facility in Victoria ceased reporting as separate campuses to the NPHED.
  - For 2014–15, the Lady Cilento Children's Hospital (Queensland) and the Fiona Stanley Hospital (Western Australia), and the Ursula Frayne Centre (Victoria) opened. Rankin Park Hospital (New South Wales) commenced reporting as a separate campus, whereas its data were previously amalgamated with another hospital.

- For 2015–16, Byron Central Hospital (New South Wales) opened, and Byron Bay Hospital and Mullumbimby Hospital closed—all three hospitals were reported. Nolan House, Albury (New South Wales) commenced reporting as a separate campus, whereas its data were previously amalgamated with Albury Hospital. The St John of God Midland Public Hospital (Western Australia) opened and Swan District Hospital closed—both hospitals were reported.
- Between 2011–12 and 2012–13, 5 small public hospitals were merged within parent campuses in Western Australia, and 2 small outpatient hospitals in Victoria closed.

- For 2012–13, Queensland was not able to report complete data for 3 public hospitals in Brisbane. In 2013–14, these hospitals reported about $540 million in recurrent expenditure and about 3,700 full-time equivalent staff.
- In 2014–15, Tasmania reclassified a number of mental health, aged care and same-day beds in hospitals, resulting in an apparent increase of 103 beds between 2013–14 and 2014–15. After adjusting for this change in classification, Tasmania estimates that average available beds in Tasmanian hospitals increased by about 0.8% between 2013–14 and 2014–15.

Estimated data indicators

For 2015–16, estimated data indicators were included for the data element *Beds for admitted contracted care* and for each category in *Salary and wage expenditure*, *Non-salary expenditure* and *Revenue*. The estimated data indicators specify whether the information reported reflected actual data, or estimated data.

Table A1 presents an overview of the use of estimated data by states and territories in 2015–16.

At the public hospital level, estimated data for *Salary and wage expenditure*, *Non-salary expenditure* and *Revenue* were reported for 26 hospitals:

- For Tasmania, estimates for all data items were provided for all 23 public hospitals.
- For Western Australia, estimates were reported for the 3 private hospitals delivering public hospital services.

In addition:

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

Table A1: Summary of data sourced from estimates, by category, states and territories, 2015–16

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

(a) For Western Australia, 3 private hospitals delivering public hospital services reported estimates for all financial and staffing data items.

(b) For the Australian Capital Territory, the use of estimates for revenue items varied by hospital. Actual figures were reported for some revenue items, and estimates for others.

Source: NPHED.

Public and private hospitals

There is some variation between jurisdictions as to whether hospitals that predominantly report public hospital services, but are privately owned and/or operated, are reported as public or private hospitals. A list of such hospitals is in Table A2 with information on how each is reported. The categorisations listed are those used for this report; reports produced by other agencies may categorise these hospitals differently.

For example, Peel and Joondalup hospitals are private hospitals that predominantly treat public patients under contract to the Western Australian Department of Health. From 2006–07, two new reporting units (public hospitals) were created to cover the public health services of these two hospitals, whereas in previous years all activity was reported for the private hospitals.

The Hawkesbury District Health Service was categorised as a private hospital until 2002–03 and has been categorised as a public hospital in AIHW reports since 2003–04.

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

Table A2: Hospitals that predominantly provided public hospital services that were privately owned and/or operated, 2015–16

Hospital	How reported
Hawkesbury District Health Service, NSW	Public hospital
Mildura Base Hospital, Vic	Public hospital
Mater Adult Hospital, Qld	Public hospital
Mater Mother's Hospital, Qld	Public hospital
Joondalup Health Campus, WA	Public hospital for services provided under contract and a private hospital for services provided to private patients
Peel Health Campus, WA	Public hospital for services provided under contract and a private hospital for services provided to private patients
St John of God Midland Public Hospital	Public hospital
McLaren Vale and Districts War Memorial Private Hospital, SA	Public hospital for services provided under contract and a private hospital for services provided to private patients
May Shaw District Nursing Centre, Tas	Public hospital
Toosey Hospital, Tas	Public hospital

Appendix B: Technical notes

This appendix covers:

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

Definitions

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

Data element definitions for the following national minimum data sets (NMDS) and data set specifications (DSS) are also available online for:

- Public hospital establishments NMDS 2015–16 at <http://meteor.aihw.gov.au/content/index.phtml/itemId/600230>
- Local Hospital Networks DSS 2015–16 at <http://meteor.aihw.gov.au/content/index.phtml/itemId/600241>.

Geographical classification

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

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

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

Australian Refined Diagnosis Related Groups

In this report, Australian Refined Diagnosis Related Groups (AR-DRG) sourced from the National Hospital Morbidity Database (NHMD) are used to measure the complexity of cases in hospitals (for example, counts of AR-DRGs for which a hospital reported at least

5 separations) and the clinical specialties that are provided by hospitals (for example, using Service Related Groups).

The AR-DRG is an Australian admitted patient classification system that provides a clinically meaningful way of relating the number and type of patients treated in a hospital (that is, its casemix) to the resources expected to be used by the hospital. This system categorises acute admitted patient episodes of care into groups with similar conditions and similar expected use of hospital resources, based on information in the hospital morbidity record.

The AR-DRG classification is partly hierarchical, with 23 Major Diagnostic Categories (MDCs), divided into *Surgical*, *Medical* and *Other* partitions, and then into 771 individual AR-DRGs (version 7.0).

The MDCs are mostly defined by body system or disease type, and correspond with particular medical specialties. In general, episodes are allocated to MDCs based on the principal diagnosis. Some episodes involving procedures that are particularly resource intensive may be assigned to the *Pre-MDC* category (AR-DRGs A01Z to A41B), irrespective of the principal diagnosis (including most organ and bone marrow transplants). Episodes that contain clinically atypical or invalid information are assigned *Error DRGs* (AR-DRGs 801A–801C and 960Z–963Z), even if they were allocated to an MDC (*Error DRGs* are included within the *Other* DRGs in the *Surgical*/*Medical*/*Other* DRG partition).

Episodes are assigned to AR-DRGs within MDCs, mainly based on the procedure codes (in the *Surgical* DRG partition) or the diagnosis codes (in the *Medical* DRG partition). Additional variables are also used for AR-DRG assignment, including the patient's age, complicating diagnoses/procedures and/or patient clinical complexity level, the length of stay, and the mode of separation.

AR-DRG versions

Following receipt of admitted patient care data from states and territories, the AIHW regrouped the data (using the mapping facility in the DRGroup™ software) to ensure that the same grouping method was used for all data. The AR-DRGs that resulted from this regrouping are reported here, and may differ slightly from the AR-DRGs derived by the states and territories.

For 2015–16, each separation in the NHMD was classified to AR-DRG versions 6.0x (DoHA 2010) and AR-DRG version 7.0 (NCCC 2012) based on the demographic and clinical characteristics of the patient.

Each AR-DRG version is based on a specific edition of the International Statistical Classification of Diseases and Related Health Problems 10th revision, Australian modification (ICD-10-AM) and the Australian Classification of Health Interventions (ACHI) (Table B1). However, AR-DRGs can be mapped from other ICD-10-AM/ACHI editions. In this report, AR-DRG version 7.0 was used in tables presenting counts of AR-DRGs for which a hospital reported at least 5 separations (see Chapter 3), and for tables presenting information on Service Related Groups (see Chapter 3 and Appendix D for more information).

Table B1: ICD-10-AM and AR-DRG versions, 2011–12 to 2015–16

Year	ICD-10-AM/ACHI edition	Relevant AR-DRG version	AR-DRG version reported in *Australian hospital statistics*
2011–12[(a)]	Seventh edition	Version 6.0	Version 6.0x
2012–13	Seventh edition	Version 6.0x	Version 6.0x
2013–14[(b)]	Eighth edition	Version 7.0	Version 7.0
2014–15[(c)]	Eighth edition	Version 7.0	Version 7.0
2015–16	Ninth edition	Version 7.0	Version 7.0

(a) For *Australian hospital statistics 2011–12* in analyses where cost weights were required, AR-DRG version 5.2 Round 13 cost weights (2008–09) were applied to AR-DRG version 5.2.

(b) For *Admitted patient care 2013–14: Australian hospital statistics* in analyses where cost weights were required, AR-DRG version 6.0x Round 16 cost weights (2011–12) were applied to AR-DRG version 6.0x.

(c) For *Admitted patient care 2014–15: Australian hospital statistics* in analyses where cost weights were required, AR-DRG version 6.0x Round 17 cost weights (2012–13) were applied to AR-DRG version 6.0x.

Presentation of data

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

Suppression of data

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

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

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

Analysis methods

Counting activity

Counts of separations and patient days presented in Table 3.1 and in Appendix D were sourced from admitted patient care data reported for the NHMD for 2015–16.

Records for 2015–16 are for hospital separations (discharges, transfers, deaths or changes in care type) in the period from 1 July 2015 to 30 June 2016. Data on patients who were admitted on any date before 1 July 2015 are included, provided that they also separated between 1 July 2015 and 30 June 2016. A record is included for each separation, not for each patient, so patients who separated more than once in the year have more than one record in the NHMD.

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

records for *Hospital boarders* and *Posthumous organ procurement* were excluded for analyses based on SRGs.

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

Patient day statistics can be used to provide information on hospital activity that, unlike separation statistics, account for differences in length of stay. As the database contains records for patients separating from hospital during the reporting period (1 July 2015 to 30 June 2016), this means that not all patient days reported will have occurred in that year. It is expected, however, that patient days for patients who separated in 2015–16, but who were admitted before 1 July 2015, will be counterbalanced overall by the patient days for patients in hospital on 30 June 2016 who will separate in future reporting periods.

Estimated resident populations

All populations are based on the estimated resident population as at 30 June preceding the reporting period (that is, for the reporting period 2015–16, the estimated resident population as at 30 June 2015 was used), drawn from the 2011 Census data.

Appendix C: Public hospital peer groups

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

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

Table C1: Public hospital peer groups, including number of public hospitals, 2015–16

Group	Description	Public hospitals
Acute public hospitals	**Are identified according to the hospital's service profile:**	
Principal referral hospitals	Provide a very broad range of services, including some very sophisticated services, and have very large patient volumes. Most include an intensive care unit, a cardiac surgery unit, a neurosurgery unit, an Infectious diseases unit and a 24-hour emergency department.	30
Public acute group A hospitals	Provide a wide range of services to a large number of patients and are usually in metropolitan centres or inner regional areas. Most have an intensive care unit and a 24-hour emergency department. They are among the largest hospitals, but provide a narrower range of services than *Principal referral* hospitals. They have a range of specialist units, potentially including bone marrow transplant, coronary care and oncology units.	63
Public acute group B hospitals	Most have a 24-hour emergency department and perform elective surgery. They provide a narrower range of services than *Principal referral* and *Public acute group A* hospitals. They have a range of specialist units, potentially including obstetrics, paediatrics, psychiatric and oncology units.	45
Public acute group C hospitals	These hospitals usually provide an obstetric unit, surgical services and some form of emergency facility. Generally smaller than the *Public acute group B* hospitals.	144
Public acute group D hospitals	Often situated in regional and remote areas and offer a smaller range of services relative to the other public acute hospitals (groups A-C). Hospitals in this group tend to have a greater proportion of non-acute separations compared with the larger acute public hospitals.	190
Very small hospitals	Generally provide less than 200 admitted patient separations each year.	122
Specialist hospital groups	**Perform a readily identified role within the health system**	
Women's and children's hospitals		
Children's hospitals	Specialise in the treatment and care of children.	5
Women's hospitals	Specialise in treatment of women.	6
Women's and children's hospitals	Specialise in the treatment of both women and children.	1
Early parenting centres	Specialise in care and assistance for mothers and their very young children.	8
Drug and alcohol hospitals	Specialise in the treatment of disorders relating to drug or alcohol use.	2

(continued)

Table C1 (continued): Public hospital peer groups, including number of public hospitals, 2015–16

Group	Description	Public hospitals
Psychiatric hospitals	Specialise in providing psychiatric care and/or treatment for people with a mental disorder or psychiatric disability.	
Psychogeriatric hospitals	Specialise in the psychiatric treatment of older people.	2
Child, adolescent and young adult psychiatric hospitals	Specialise in the psychiatric treatment of children and young people.	3
Acute psychiatric hospitals	Provide acute psychiatric treatment—mainly to the general adult population.	8
Subacute and non-acute psychiatric hospitals	Provide non-acute psychiatric treatment—mainly to the general adult population.	6
Forensic psychiatric hospitals	Provide assessment and treatment of people with a mental disorder and a history of criminal offending, or those who are at risk of offending.	3
Same day hospitals	Treat patients on a same-day basis. The hospitals in the same day hospital peer groups tend to be highly specialised.	
Mixed day procedure hospitals	Provide a variety of specialised services on a same day basis.	4
Other acute specialised hospitals	Specialise in a particular form of acute care, not grouped elsewhere. This group is too diverse to be considered a peer group for comparison purposes. It includes hospitals that specialise in the treatment of cancer, rheumatology, eye, ear and dental disorders.	3
Subacute and non-acute hospitals		
Rehabilitation and geriatric evaluation and management hospitals	Primarily provide rehabilitation and/or geriatric evaluation and management in which the clinical purpose or treatment goal is improvement in the functioning of a patient.	14
Mixed subacute and non-acute hospitals	Primarily provide a mixture of subacute (rehabilitation, palliative care, geriatric evaluation and management, psychogeriatric care) and non-acute (maintenance) care that is not covered by the hospitals in the rehabilitation and geriatric evaluation and management hospital peer group.	25
Outpatient hospitals	Provide a variety of non-admitted patient services. Generally do not admit patients.	8
Unpeered hospitals	Could not be placed in one of the other peer groups.	9
Total public hospitals		**701**

Appendix D: Service Related Groups

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

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

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

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

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

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

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

For public hospitals, separations may have been assigned to the *Perinatology* SRG depending on whether or not the hospital had a specialist neonatal intensive care unit, as reported to the NPHED. For private hospitals, the *Perinatology* SRG was not assigned as the available data do not indicate whether the hospital had a specialist neonatal intensive care unit. Therefore, all private hospital *Newborns* with qualified days were assigned to the SRG *Qualified neonate*. An 'unallocated' SRG was assigned for separations with an *Error DRG*.

How much activity was there in 2015–16?

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

Table D2 contains the number of separations and patient days in each SRG for public and private hospitals.

Renal dialysis (SRG 23) had the largest number of separations in public hospitals (1.14 million). This was followed by *General medicine* (SRG 27) (494,000). In the private sector, *Diagnostic gastrointestinal* (SRG 16) recorded the highest number of separations (462,000), followed by *Orthopaedics* (SRG 49) (367,000).

Rehabilitation (SRG 84) recorded the highest number of patient days (1.97 million) in public hospitals, followed by *Psychiatry/mental health – acute* (SRG 82) (1.88 million). For private hospitals, *Rehabilitation* (SRG 84) recorded the highest number of patient days (1.33 million), followed by *Orthopaedics* (SRG 49) (952,000).

Table D2: Separations[(a)] and patient days by Service Related Group based on AR-DRG version 7.0, public and private hospitals, 2015–16

	Public hospitals		Private hospitals	
Service Related Group	**Separations**	**Patient days**	**Separations**	**Patient days**
11 Cardiology	335,412	816,527	61,664	239,673
12 Interventional cardiology	78,389	251,148	83,800	184,427
13 Dermatology	23,443	54,902	4,559	13,983
14 Endocrinology	34,222	114,099	4,794	19,519
15 Gastroenterology	323,572	786,263	236,092	383,493
16 Diagnostic gastrointestinal	178,260	263,303	462,154	492,974
17 Haematology	152,747	432,702	81,391	167,865
18 Immunology and infections	40,423	86,722	19,546	24,014
20 Chemotherapy	199,873	199,874	288,734	289,133
21 Neurology	248,620	726,892	49,181	172,783
22 Renal medicine	38,376	132,883	32,576	63,621
23 Renal dialysis	1,141,520	1,141,751	252,861	252,866
24 Respiratory medicine	338,728	1,261,171	106,012	372,148
25 Rheumatology	32,656	84,996	35,610	56,368
26 Pain management	8,808	27,148	6,807	23,894
27 General medicine	494,843	1,665,760	104,888	400,139
41 Breast surgery	21,474	49,844	45,528	77,419
42 Cardiothoracic surgery	16,587	177,253	12,371	128,371
43 Colorectal surgery	38,785	245,685	31,596	142,894
44 Upper gastrointestinal surgery	86,788	322,926	53,136	153,989
46 Neurosurgery	66,399	354,704	49,933	272,091
47 Dentistry	23,683	25,289	100,672	100,933
48 Ear, nose and throat; head and neck	98,977	149,302	127,979	142,728
49 Orthopaedics	383,720	1,288,763	367,482	951,582
50 Ophthalmology	116,726	141,728	294,060	297,895
51 Plastic and reconstructive surgery	103,148	223,736	165,721	234,616
52 Urology	218,916	400,597	191,918	308,805
53 Vascular surgery	51,750	278,409	37,613	133,299

(continued)

Table D2 (continued): Separations[(a)] and patient days by Service Related Group based on AR-DRG version 7.0, public and private hospitals, 2015–16

	Public hospitals		Private hospitals	
Service Related Group	**Separations**	**Patient days**	**Separations**	**Patient days**
54 General surgery	303,838	739,291	128,086	281,202
61 Transplantation	1,621	27,103	n.p.	n.p.
62 Extensive burns	1,929	19,969	49	530
63 Tracheostomy and ventilation	9,140	268,306	1,059	31,837
71 Gynaecology	163,114	245,771	231,525	305,178
72 Obstetrics	345,451	860,828	95,573	388,159
73 Qualified neonate	56,941	377,599	16,710	105,645
74 Unqualified neonate	204,809	101,555	46,744	0
75 Perinatology	5,028	120,301	0	0
81 Drug and alcohol	95,044	296,561	37,261	167,796
82 Psychiatry/mental health—acute	154,061	1,879,326	153,084	770,437
83 Psychiatry/mental health—sub-acute	729	484,950	n.p.	n.p.
84 Rehabilitation	136,299	1,970,558	332,343	1,327,921
85 Psychogeriatric care	1,451	45,826	6,730	37,807
86 Palliative care	36,462	353,246	5,716	70,119
87 Maintenance	28,056	588,332	5,292	44,925
99 Unallocated	7,306	100,444	5,162	28,724
Total	**6,448,124**	**20,184,343**	**4,374,034**	**9,662,047**

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

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

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

Source: NHMD.

Tables DS.1 to DS.5 (which accompany this report online) present more detailed SRG information for public and private hospitals, by state and territory. Table DS.1 contains the number of public hospitals that, in 2015–16, reported more than 50 separations or more than 360 patient days for each SRG by state and territory and remoteness area. This has been included as an indicative measure of the number of specialised clinical units.

The best indicative measure of the number of specialised clinical units varies between SRGs and between uses of the measure. For example, for *Maintenance* (SRG 87), 120 hospitals provided more than 50 separations per year and 230 hospitals provided more than 360 patient days (reflecting the longer lengths of stay associated with maintenance care), while for *Gastroenterology* (SRG 15) these measures were 352 and 223 hospitals respectively. *Cardiothoracic surgery* (SRG 42) showed very little difference between the 2 different measures, with 35 hospitals providing more than 50 separations per year and 40 hospitals providing more than 360 patient days.

General medicine (SRG 27) was provided by the greatest number of hospitals, with 450 hospitals with more than 50 separations per year and 404 hospitals with more than 360 patient days per year.

Appendix E: Public hospital accreditation information

This section includes analysis of the data reported for the NPHED for hospital accreditation in 2015–16.

For 2014–15 and 2015–16, in addition to the 4 quality accreditation/certification standards that were collected before 2014–15, the NPHED included information about accreditation to the National Safety and Quality Health Service (NSQHS) Standards, as well as whether the hospital was *Accredited elsewhere* and the *Other quality accreditation/certification standard*.

However, the accreditation data reported for the NPHED were inconsistent with the data reported to the Australian Commission on Safety and Quality in Health Care (unpublished), and reporting was also inconsistent between jurisdictions, meaning the data were not suitable for comparative purposes.

Table E1 presents the numbers of hospitals reported against each accreditation standard in 2015–16, noting that:

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

Hospitals accredited elsewhere

Table E1 also presents the number of hospitals that were reported as *Accredited elsewhere* in 2015–16. The types of accreditation reported in *Other quality accreditation/certification standard* included:

- National Association of Testing Authorities Australia, including:
  - Diagnostic Imaging Accreditation Scheme
  - Laboratory testing
  - Pathology
- Aged care standards, including:
  - Aged Care Standards Agency
  - Australian Aged Care Quality Agency
  - Community West
- Accreditation with colleges, including:
  - Royal Australian College of General Practitioners
  - Royal Australian and New Zealand College of Radiologists
  - Royal Australian and New Zealand College of Obstetricians and Gynaecologists
- Australian General Practice Accreditation Limited
- National Food Safety Standards, Certified Food Safety Systems

- Home and Community Care
- Baby Friendly Health Initiative
- Breast Screen Australia
- Radiological Council of Western Australia
- Foundation for the Accreditation of Cellular Therapy, for bone marrow transplant
- Attendant Care Industry Standard.

Table E1: Number of accredited public hospitals, by accreditation standard reported to the NPHED, states and territories, 2015–16

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
International Organisation for Standardisation ISO 9000 quality family	0	0	31	1	1	0	1	0	34
Australian Council on Healthcare Standards	105	0	91	81	73	4	1	0	355
Quality Improvement Council	0	0	17	3	0	3	1	0	24
Australian Quality Council	106	0	15	1	0	0	1	0	123
National Safety and Quality Health Service Standards	30	151	0	85	77	18	0	5	366
Any accreditation[(a)]	214	151	121	89	77	18	1	5	676
Total hospitals	**226**	**151**	**122**	**94**	**77**	**23**	**3**	**5**	**701**

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

Source: NPHED.

Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

METeOR identifiers: 542001 and 552430.

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

hospice: See **establishment type**.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

other salaried medical officers: Non-specialist medical officers employed by the establishment on a full-time or part-time salaried basis. This excludes visiting medical officers engaged on an honorary, sessional or fee-for-service basis. This category includes non-specialist salaried medical officers who are engaged in administrative duties regardless

of the extent of that engagement (for example, clinical superintendent and medical superintendent). METeOR identifier: 542001. See **full-time equivalent staff**.

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

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

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

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

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

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

psychiatric hospital: See **establishment type**.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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Related publications

This report, *Hospital resources 2015–16: Australian hospital statistics*, is part of an annual series. The earlier editions and any published subsequently can be downloaded for free from the Australian Institute of Health and Welfare (AIHW) website, <www.aihw.gov.au/hospitals-publications/>.
The website also includes information on ordering printed copies.

Recent related reports include:

- AIHW 2015. Australian hospital peer groups. Health services series no. 66. Cat. no. HSE 170. Canberra: AIHW.
- AIHW 2016. 25 years of health expenditure in Australia: 1989–90 to 2014–15. Health and welfare expenditure series no. 56. Cat. no. HWE 66. Canberra: AIHW.
- AIHW 2016. Health expenditure Australia 2014–15. Health and welfare expenditure series no. 57. Cat. no. HWE 67. Canberra: AIHW.
- AIHW 2016. Hospital resources 2014–15: Australian hospital statistics. Health services series no. 71. Cat. no. HSE 176. Canberra: AIHW.
- AIHW 2016. Emergency department care 2015–16: Australian hospital statistics. Health services series no. 72. Cat. no. HSE 182. Canberra: AIHW.
- AIHW 2016. Elective surgery waiting times 2015–16: Australian hospital statistics. Health services series no. 73. Cat. no. HSE 183. Canberra: AIHW.
- AIHW 2017. Admitted patient care 2015–16: Australian hospital statistics. Health services series no. 75. Cat. no. HSE 185. Canberra: AIHW.
- AIHW 2017, forthcoming. Australia's hospitals 2015–16: at a glance. Canberra: AIHW.
- AIHW 2017. Non-admitted patient care 2015–16: Australian hospital statistics. Health services series no. 76. Cat. no. HSE 188. Canberra. AIHW.
- AIHW 2017. *Staphylococcus aureus* bacteraemia in Australian public hospitals 2015–16: Australian hospital statistics. Health services series no. 74. Cat. no. HSE 184. Canberra: AIHW.

In addition, selected hospitals-related information, for individual hospitals is available at <www.myhospitals.gov.au>.

Please see <www.aihw.gov.au/publications-catalogue/> to access a complete list of AIHW publications relating to Australia's health and welfare.

In 2015–16:

- there were 701 public hospitals in Australia accounting for about two-thirds (61,000) of all hospital beds
- there were 630 private hospitals with 33,100 hospital beds
- total recurrent expenditure on public hospital services was about $64 billion. About 57% of this was for admitted patient care, 18% for outpatient care, 10% for emergency care services, 2% for teaching, training and research and 13% for all other services.