

National Health Reform Public hospital funding

Local hospital network report September 2012 Edenhope and District Memorial Hospital

Issued by the Administrator of the National Health Funding Pool
under section 240 of the *National Health Reform Act 2011*

Available from the Public Hospital Funding website
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Edenhope and District Memorial Hospital, September 2012

This report is issued by the Administrator of the National Health Funding Pool under section 240 of the *National Health Reform Act 2011*.

This report shows the National Health Reform (NHR) payments made by the Victorian Government to Edenhope and District Memorial Hospital for September 2012.

Local hospital networks and National Health Reform

A local hospital network (LHN) is an organisation that provides public hospital services in accordance with the *National Health Reform Agreement* (the Agreement). A local hospital network can contain one or more hospitals, and is usually defined as a business group, geographical area or community. Every Australian public hospital is part of a local hospital network.

Note: The term 'local hospital network' is a national term. Some states and territories use their own local terminology to describe these networks, such as local health districts, health organisations, and public health or hospital services.

Under the Agreement, local hospital networks receive NHR funding for the following public hospital services:

- All admitted and non-admitted services
- All emergency department services provided by a recognised emergency department
- Other outpatient, mental health, sub-acute services and other services that could reasonably be considered a public hospital service.

Note: Local hospital networks also receive funding from other sources, including the Commonwealth, states and territories, and third parties for the provision of other specific functions and services outside the scope of the Agreement, for example, dental services, primary care, home and community care, residential aged care and pharmaceuticals. For further information on total funding to a particular local hospital network, contact the Victorian Department of Health to view the service agreement for that local hospital network.

Block funded local hospital networks

This report reflects that this local hospital network is exclusively block funded. Block funding is a system of funding public hospital functions and services as a fixed amount based on population and previous funding. Many small hospitals are entirely block funded, often having fluctuating activity that would result in unpredictable revenue if funded on the basis of activity.

Reference information

The data in this report can be viewed in conjunction with information shown on the *MyHospitals* website (www.myhospitals.gov.au) which provides information on hospitals throughout Australia.

The financial information outlined in the following report represents NHR payments. NHR payments are when NHR funding is deposited into a state pool account or state managed fund and is paid out of the state pool account by the Administrator, or is paid out of state managed fund by the state or territory.

For the basis of NHR payments, see the *Basis for National Health Reform payments* explanation in the Victorian report for September 2012, see [Victorian report, September 2012](#).

For the basis of the Commonwealth contribution to NHR funding, see [Basis of Commonwealth funding 2012-13](#).

Table 1 – Commonwealth and Victorian NHR payments to Edenhope and District Memorial Hospital, September 2012

This table shows total NHR payments from contributions provided by the Victorian Government and the Commonwealth Government to Edenhope and District Memorial Hospital by service category for September 2012 and year-to-date (YTD).

Service category	Total NHR payments (ex GST) (\$)	GST (\$)	Total NHR payments YTD (ex GST) (\$)	GST YTD (\$)
Mental health	*	*	*	*
Small rural & metro hospitals	*	*	*	*
Sub-acute	*	*	*	*
Teaching, training & research	*	*	*	*
Other	*	*	*	*
Total Block payments (SMF)	251,000	0	753,000	0

* Victoria has advised it is unable to provide payment information by service category as its 2012-13 service agreements with local hospital networks do not set separate budgets at that level.

Total Block payments (SMF) represents NHR payments made by Victoria from the state managed fund (SMF) to the local hospital network.

Payments in these tables are GST exclusive. The majority of government funding to local hospital networks is not subject to GST. However in some cases, hospital funding to non-government entities does attract GST, for example, denominational hospitals, privately and commercially owned health facilities, or any other non-government third party provider of health services or related supplies.

For more information on the components and flow of NHR funding and payments, see [National Health Reform funding and payments](#).

For the basis of NHR payments, see the *Basis for National Health Reform payments* explanation in the Victorian report for September 2012, see [Victorian report, September 2012](#).