

## About us

The National Health Funding Body (NHFB) and the Administrator of the National Health Funding Pool (the Pool) were established through the *National Health Reform Agreement of August 2011* (NHR Agreement).

The NHFB operates as a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA) and is funded as a small agency within the Commonwealth Department of Health, Disability and Ageing Portfolio.

The NHFB is an independent agency with 35 people that support the Administrator to oversee the administration of Commonwealth, State and Territory public hospital funding and payments under the NHR Agreement.

The functions of the Administrator are set out in the *National Health Reform Act 2011* (NHR Act) and common provisions in relevant State and Territory legislation.

## Our vision

To improve transparency of public hospital funding in Australia.

## Our purpose

To support the obligations and responsibilities of the Administrator through best practice administration of public hospital funding.

## Our role in Australia's health system



Prime Minister,  
Premiers and  
Chief Ministers



Commonwealth,  
State and Territory  
Health Ministers



Commonwealth  
Treasurer

### WHO WE SUPPORT

### ADMINISTRATOR OF THE NATIONAL HEALTH FUNDING POOL



**Toni Cunningham**  
Administrator

The Administrator is an independent statutory office holder. All Commonwealth, State and Territory Governments have to agree on their appointment to the position.

### NATIONAL HEALTH FUNDING BODY



**Shannon White**  
CEO

Led by the Chief Executive Officer, the 35 staff in the NHFB support the Administrator to oversee the administration of Commonwealth, State and Territory public hospital funding and payments under the NHR Agreement.

### WHO WE WORK WITH



Commonwealth,  
State and Territory  
stakeholders



Portfolio  
agencies



Industry  
partners



In 2024-25, we administered over...  
**\$77.1 BILLION**  
in public hospital funding.

That delivered over...  
**46 MILLION**  
in public hospital services.

## Independent Health and Aged Care Pricing Authority (IHACPA)



### Data collection

The IHACPA collects quarterly public hospital activity data submissions from States and Territories about various kinds of patient services provided by Australian hospitals. They use this data as inputs into the classification, costing and pricing process. The NHFB use this same data for reconciliation of actual services delivered.



### Classification

Classifications provide a nationally consistent method of classifying all types of patients, their treatment and associated costs. IHACPA undertakes reviews and updates of existing classifications and is also responsible for introducing new classifications.



### Costing

Hospital costing focuses on the cost and mix of resources used to deliver patient care. Costing plays a vital role in Activity Based Funding, providing valuable information for pricing purposes.



### Pricing

The IHACPA determines the National Efficient Price. This pricing model determines how much is paid for an average patient. It also recognises factors that can increase the cost of care, for example, delivering services in remote areas and care complexity. The NHFB use this when calculating the Commonwealth's contribution to public hospital funding.

## National Health Funding Body



### Calculate

Commonwealth funding is calculated using the Commonwealth Contribution Model. The IHACPA's National Efficient Price and public hospital activity estimates from States and Territories are key inputs into this model.



### Pay

The Payments System is used to facilitate Commonwealth and State and Territory public hospital funding payments to Local Hospital Networks.



### Report

Reports on funding, payments and services are published to [publichospitalfunding.gov.au](http://publichospitalfunding.gov.au) on a monthly basis to provide transparency of public hospital funding.

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