



Administrator
National Health
Funding Pool

National Health Reform
Public Hospital Funding

National Report
June 2019

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National Health Reform public hospital funding National report – June 2019

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 is prepared on a cash basis. It shows monthly and year-to-date (YTD) National Health Reform (NHR) funding and payments at an aggregated national level for June 2019, prepared as part of the requirements under the National Health Funding Agreement (the Agreement).

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Local hospital networks and National Health Reform

A local hospital network (LHN) is an organisation that provides public hospital services in accordance with the Agreement. A LHN 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 an LHN.

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 hospital and health services.

Note: Amounts shown in the monthly reports do not include funding received by Victoria from New South Wales as contributions for Albury Wodonga Health.

Under the Agreement, LHNs receive funding in 2018-19 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: LHNs 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 LHN, contact the Department of Health in the relevant state or territory to view the service agreement for that LHN.

Reference information

The financial information outlined in the following report is categorised as:

- *NHR funding* – when the Commonwealth or state or territory government pays NHR funding into a state pool account or state managed fund.
- *NHR payments* – when NHR funding that has been deposited into a state pool account or state managed fund is paid out of the state pool account by the Administrator, or is paid out of the state managed fund by the state or territory.

For the basis of state and territory NHR payments, see *Basis for National Health Reform payments* explanation in the relevant state or territory report for June 2019, see [State or territory reports](#).

For the basis of the Commonwealth contribution to NHR funding, see [Basis of Commonwealth NHR funding, 2018-19](#).

NHR funding and payments

Table 1 – NHR funding and payments for each state and territory – June 2019

This table shows NHR funding and payments for each state and territory for June 2019 and YTD.

State/territory	NHR funding (\$)	NHR payments (\$)	NHR funding YTD (\$)	NHR payments YTD (\$)
NSW	895,917,039	895,917,039	13,933,797,752	13,933,797,752
VIC	621,701,604	621,701,604	11,434,314,065	11,530,371,442
QLD	1,046,796,597	1,047,228,678	12,009,427,859	12,009,427,859
WA	436,476,705	436,065,491	5,328,253,297	5,328,253,092
SA	226,276,269	278,394,310	3,745,537,742	3,479,285,998
TAS	168,636,006	168,636,006	1,295,822,919	1,295,822,919
ACT	73,211,756	73,211,757	1,167,145,415	1,167,145,416
NT	164,140,163	164,139,120	1,255,557,164	1,255,545,681
Total	3,633,156,139	3,685,294,005	50,169,856,213	49,999,650,159

Differences between NHR funding and NHR payments for a state or territory can occur for several reasons, such as having funds remaining in its state pool account at the end of the month, drawing down on available funds from previous months, or having an overdraft in its state pool account at the end of the month.

NHR funding and payments shown in this table include GST where applicable.

Commonwealth and state or territory NHR funding components are detailed in the following tables.

For more information, see [National Health Reform funding and payments](#).

NHR funding by funding source

Table 2a – NHR funding by funding source for each state and territory – June 2019

This table shows NHR funding by the source of funds for each state and territory for June 2019.

Sources of NHR funding are separated into Commonwealth funding, Own state or territory funding (where a state or territory provides its own funding) and Funding from other state or territory (where other states or territories contribute cross-border funding towards the cost of their residents being treated in the provider state or territory).

State/territory	NHR funding by source			
	Commonwealth NHR funding (\$)	Own state/territory NHR funding (\$)	NHR funding from other state/territory (\$)	Total NHR funding (\$)
NSW	575,809,478	314,457,561	5,650,000	895,917,039
VIC	393,126,264	224,550,339	4,025,000	621,701,604
QLD	455,686,839	586,109,758	5,000,000	1,046,796,597
WA	193,989,760	242,486,945	0	436,476,705
SA	106,405,170	119,871,099	0	226,276,269
TAS	33,067,217	135,568,789	0	168,636,006
ACT	35,909,756	29,042,000	8,260,000	73,211,756
NT	26,835,287	137,304,876	0	164,140,163
Total	1,820,829,772	1,789,391,367	22,935,000	3,633,156,139

See explanatory notes following table 2b.

Table 2b – NHR funding by funding source for each state and territory YTD – June 2019

Following on from table 2a, this table shows year-to-date (YTD) NHR funding by the source of funds for each state and territory as at June 2019.

State/territory	NHR funding by source			
	Commonwealth NHR funding YTD (\$)	Own state/territory NHR funding YTD (\$)	NHR funding from other state/territory YTD (\$)	Total NHR funding YTD (\$)
NSW	6,736,700,659	7,129,297,092	67,800,000	13,933,797,752
VIC	5,050,202,770	6,335,811,296	48,300,000	11,434,314,065
QLD	5,238,994,034	6,710,433,825	60,000,000	12,009,427,859
WA	2,267,445,168	3,060,242,803	565,326	5,328,253,297
SA	1,320,078,620	2,425,459,122	0	3,745,537,742
TAS	424,526,386	871,036,151	260,382	1,295,822,919
ACT	413,437,415	654,588,000	99,120,000	1,167,145,415
NT	285,669,681	969,887,483	0	1,255,557,164
Total	21,737,054,734	28,156,755,772	276,045,708	50,169,856,213

NHR funding shown in these tables includes GST where applicable.

For more information, see [National Health Reform funding and payments](#).

NHR funding by funding type

Table 3a – NHR funding by funding type for each state and territory – June 2019

This table shows NHR funding for each state and territory by funding type and source for June 2019. NHR funding can be activity-based funding (ABF), block funding or other funding, such as public health funding, cross-border, interest or overdeposits.

Sources of NHR funding are separated into Commonwealth funding, Own state or territory funding (where a state or territory provides its own funding) and Funding from other state or territory (where other states or territories contribute cross-border funding towards the cost of their residents being treated in the provider state or territory).

State/ territory	NHR funding type	Commonwealth NHR funding (\$)	Own state/territory NHR funding (\$)	NHR funding from other state/territory (\$)	Total NHR funding (\$)
NSW	ABF	493,571,594	366,932,208	0	860,503,802
	Block	72,126,133	-69,846,318	0	2,279,815
	Other	10,111,751	17,371,670	5,650,000	33,133,421
	Total	575,809,478	314,457,561	5,650,000	895,917,039
VIC	ABF	299,626,532	224,298,181	0	523,924,714
	Block	85,276,259	-380,964	0	84,895,295
	Other	8,223,473	633,122	4,025,000	12,881,595
	Total	393,126,264	224,550,339	4,025,000	621,701,604
QLD	ABF	403,976,588	493,318,083	0	897,294,670
	Block	45,305,090	84,560,574	0	129,865,664
	Other	6,405,161	8,231,102	5,000,000	19,636,263
	Total	455,686,839	586,109,758	5,000,000	1,046,796,597
WA	ABF	166,385,250	224,361,916	0	390,747,166
	Block	24,370,046	18,125,020	0	42,495,067
	Other	3,234,464	8	0	3,234,472
	Total	193,989,760	242,486,945	0	436,476,705
SA	ABF	89,120,320	100,000,000	0	189,120,320
	Block	15,085,370	19,346,214	0	34,431,584
	Other	2,199,481	524,885	0	2,724,366
	Total	106,405,170	119,871,099	0	226,276,269
TAS	ABF	26,258,872	44,285,083	0	70,543,955
	Block	6,117,234	91,283,706	0	97,400,940
	Other	691,111	0	0	691,111
	Total	33,067,217	135,568,789	0	168,636,006
ACT	ABF	33,090,364	23,080,000	0	56,170,364
	Block	2,266,093	5,962,000	0	8,228,093
	Other	553,298	0	8,260,000	8,813,298
	Total	35,909,756	29,042,000	8,260,000	73,211,756
NT	ABF	24,749,030	24,526,583	0	49,275,613
	Block	1,773,904	112,777,250	0	114,551,154
	Other	312,353	1,043	0	313,396
	Total	26,835,287	137,304,876	0	164,140,163

State/ territory	NHR funding type	Commonwealth NHR funding (\$)	Own state/territory NHR funding (\$)	NHR funding from other state/territory (\$)	Total NHR funding (\$)
Total ABF funding		1,536,778,550	1,500,802,054	0	3,037,580,604
Total Block funding		252,320,130	261,827,482	0	514,147,612
Total Other funding		31,731,093	26,761,830	22,935,000	81,427,923
Grand Total		1,820,829,772	1,789,391,367	22,935,000	3,633,156,139

See explanatory notes following table 3b.

Table 3b – NHR funding by funding type for each state and territory YTD – June 2019

Following on from table 3a, this table shows year-to-date (YTD) NHR funding for each state and territory by funding type and source for June 2019. NHR funding can be activity-based funding (ABF), block funding or other, such as public health funding, cross-border, interest or overdeposits.

State/ territory	NHR funding type	Commonwealth NHR funding YTD (\$)	Own state/territory NHR funding YTD (\$)	NHR funding from other state/territory YTD (\$)	Total NHR funding YTD (\$)
NSW	ABF	5,727,443,739	5,965,002,127	0	11,692,445,866
	Block	881,702,788	954,889,006	0	1,836,591,794
	Other	127,554,132	209,405,959	67,800,000	404,760,092
	Total	6,736,700,659	7,129,297,092	67,800,000	13,933,797,752
VIC	ABF	4,235,452,824	5,401,907,310	0	9,637,360,133
	Block	709,424,441	892,509,194	0	1,601,933,636
	Other	105,325,505	41,394,792	48,300,000	195,020,296
	Total	5,050,202,770	6,335,811,296	48,300,000	11,434,314,065
QLD	ABF	4,663,022,215	5,489,632,637	0	10,152,654,852
	Block	495,720,037	1,121,938,005	0	1,617,658,042
	Other	80,251,782	98,863,183	60,000,000	239,114,965
	Total	5,238,994,034	6,710,433,825	60,000,000	12,009,427,859
WA	ABF	1,929,617,939	2,751,444,135	0	4,681,062,074
	Block	297,685,679	308,798,463	0	606,484,143
	Other	40,141,550	205	565,326	40,707,080
	Total	2,267,445,168	3,060,242,803	565,326	5,328,253,297
SA	ABF	1,110,527,666	2,232,000,000	0	3,342,527,666
	Block	181,934,872	189,649,305	0	371,584,178
	Other	27,616,081	3,809,816	0	31,425,898
	Total	1,320,078,620	2,425,459,122	0	3,745,537,742
TAS	ABF	345,243,642	420,152,884	0	765,396,526
	Block	70,851,158	450,877,978	0	521,729,136
	Other	8,431,586	5,290	260,382	8,697,258
	Total	424,526,386	871,036,151	260,382	1,295,822,919
ACT	ABF	378,266,311	563,978,000	0	942,244,311
	Block	28,292,380	77,410,000	0	105,702,380
	Other	6,878,724	13,200,000	99,120,000	119,198,724
	Total	413,437,415	654,588,000	99,120,000	1,167,145,415
NT	ABF	260,401,850	294,319,000	0	554,720,850
	Block	21,352,484	675,557,000	0	696,909,484
	Other	3,915,347	11,483	0	3,926,830
	Total	285,669,681	969,887,483	0	1,255,557,164
Total ABF funding		18,649,976,186	23,118,436,093	0	41,768,412,279
Total Block funding		2,686,963,840	4,671,628,952	0	7,358,592,792
Total Other funding		400,114,707	366,690,727	276,045,708	1,042,851,142
Grand Total		21,737,054,734	28,156,755,772	276,045,708	50,169,856,213

ABF funding represents Acute admitted, Non-admitted, Emergency department, Sub-acute, and Admitted mental health service categories, which are funded through the National Health Funding Pool and subsequently paid to local hospital networks.

Block funding represents Non-admitted mental health, Small rural hospitals, Teaching, training and research, and Other non-admitted categories, which are funded through state managed funds and subsequently paid to local hospital networks.

Other funding represents other funding sources which are transacted through the National Health Funding Pool, such as public health funding, cross-border, interest or overdeposits, and subsequently paid to state or territory health departments (with the exception of cross-border funding which can be paid to state or territory health departments or to local hospital networks).

NHR funding shown in these tables includes GST where applicable.

For more information, see [National Health Reform funding and payments](#).

Estimated monthly, YTD and annual activity

States and territories provide service volume *estimates* at the start of each financial year, and if required, can continue to refine these estimates during the course of the year. These *estimates* form the basis of monthly reporting of service volumes until *actual* service numbers become available. These estimates are expressed as National Weighted Activity Units (NWAU).

States and territories provide estimated annual NWAU to the Administrator as a basis for determining the Commonwealth activity-based funding. Current month NWAU estimates accumulate through the year-to-date NWAU, to be equal to the annual NWAU at the end of the financial year.

States and territories may also provide activity information relating to the delivery of other public hospital functions funded.

Table 4 – Estimated monthly, YTD and annual NWAU by each state and territory – June 2019

This table shows estimated hospital activity for each state and territory for activity-based funding services expressed as NWAU for the current month, year-to-date (YTD) and total estimated annual NWAU.

State/territory	Estimated NWAU delivered/funded in current month	Estimated NWAU delivered/funded YTD	Estimated annual NWAU 2018-19
NSW	228,944	2,747,328	2,747,328
VIC	184,554	2,215,000	2,214,677
QLD	179,421	1,890,701	1,866,851
WA	73,770	885,538	885,540
SA	46,709	595,071	595,071
TAS	14,331	159,451	151,628
ACT	12,926	157,611	158,697
NT	14,371	169,177	166,751
Total	755,026	8,819,877	8,786,543

An NWAU is a measure of health service activity expressed as a common unit. It provides a way of comparing and valuing each public hospital service, whether they are admissions, emergency department presentations or outpatient episodes, weighted for clinical complexity. The average hospital service is worth one NWAU – the most intensive and expensive activities are worth multiple NWAU, the simplest and least expensive are worth fractions of an NWAU.

Monthly NHR payments relate to the cash needs of public hospitals and do not necessarily reflect the volume of services delivered in the month.

For more information on the NWAU calculation, see [Calculation of NWAU](#).