

Office of the Director-General

Mr James Downie
Chief Executive Officer
Independent Hospital Pricing Authority
secretariatihpa@ihpa.gov.au

Dear Mr Downie

2019-20 National Hospital Cost Data Collection Submission

Thank you for your letter of 18 October 2021 requesting clarification on ACT's 2019-20 National Hospital Cost Data Collection (NHCDC) submission. ACT's responses to the concerns raised in your letter are addressed below:

1. ACT's adherence to COVID-19 Response – Costing and Pricing Guidelines.

- In the 2019-20 NHCDC submission provided to the Independent Hospital Pricing Authority (IHPA), COVID costs were reported for Calvary Public Hospital, Bruce (CPHB). This was listed in the Data Quality Statement supplied to IHPA in July 2021. ACT's COVID expenditure for other hospitals was excluded from the 2019-20 NHCDC submission as these expenses relate to State Public Health costs.
- ACT's treatment of COVID costs was discussed with the IHPA team and further discussions were also held through PwC consultation and at the Independent Financial Review.

2. It was identified that ACT had not adhered to the COVID-19 Response - Costing and pricing guidelines. The costing approach taken by ACT was inconsistent with the guidelines as it did not split the costing in to two periods of pre and post COVID-19.

- As the ACT was only submitting COVID costs for CPHB there was no requirement to split the costing submission in two periods.
- CPHB created separate cost centers to record expenditure for COVID related admissions, emergency department presentations & state public health related costs.

3. Request that your department applies the AHPCS V4.1 and all costing guidelines in future NHCDC submissions.

- ACT has always been compliant in adhering to the costing standards provided by IHPA.

4. The importance of timely submission of quality data

- ACT will ensure to provide IHPA with timely NHCDC data and would also expect IHPA to resolve the technical issues with the portal that resulted in duplicate submissions and provide further guidance on the treatment of State Public Health costs.

I would like to reiterate that the data submitted to NHCDC is a culmination of considerable efforts in improving ACT data. Assurance is given that to the best of my knowledge the NHCDC data provided are suitable to be used for the primary purpose of the NHCDC, which includes development of the National Efficient Price.

Thank you for meeting with my staff during this process, and we are looking forward to future collaboration. Looking forward, I note that the implementation of a Digital Health Record for the ACT in the coming year will further consolidate our data sources and provide a streamlined platform for data capture and reporting. I anticipate that this will coincide with ongoing improvements to public hospital data collection in the ACT.

We thank IHPA for their ongoing work in the collation of the NHCDC and hope this letter clarifies ACT's NHCDC process for 2019-20. If IHPA wishes to discuss this further, please contact Ms Justine Spina, Executive Branch Manager, Information and Data Management on (02) 5124 9040 or justine.spina@act.gov.au

Yours sincerely



Rebecca Cross
Director-General

19 November 2021