

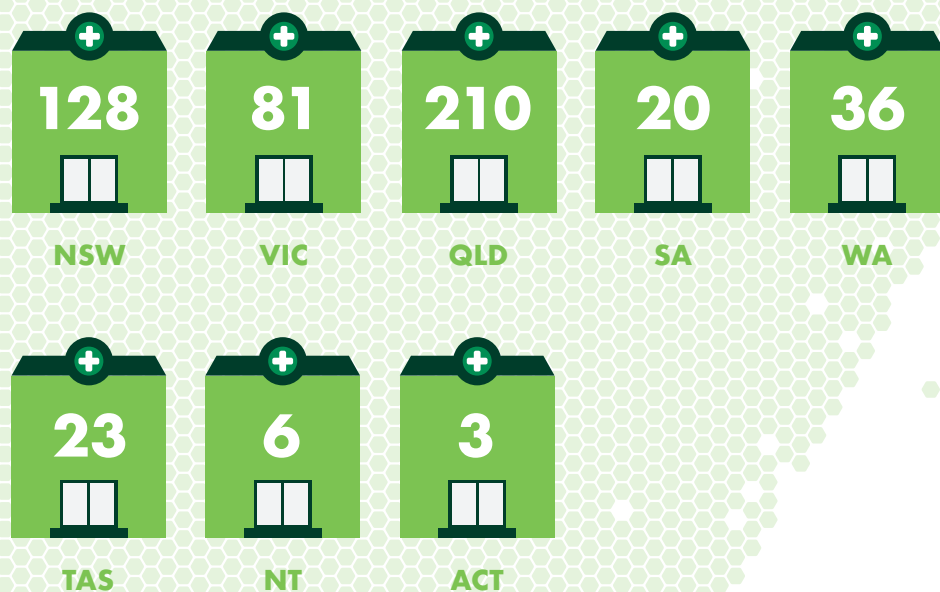
NHCDC

23



The Round 23 National Hospital Cost Data Collection (NHCDC) collected public hospital cost information for the 2018–19 financial year. The **NHCDC Cost Report** contains detailed summary tables of all reported figures.

Number of hospitals that submitted cost data to the NHCDC



507

unique public hospitals submitted cost data—an increase of 54 since Round 22.

How much does patient activity cost in Australia's public hospitals?

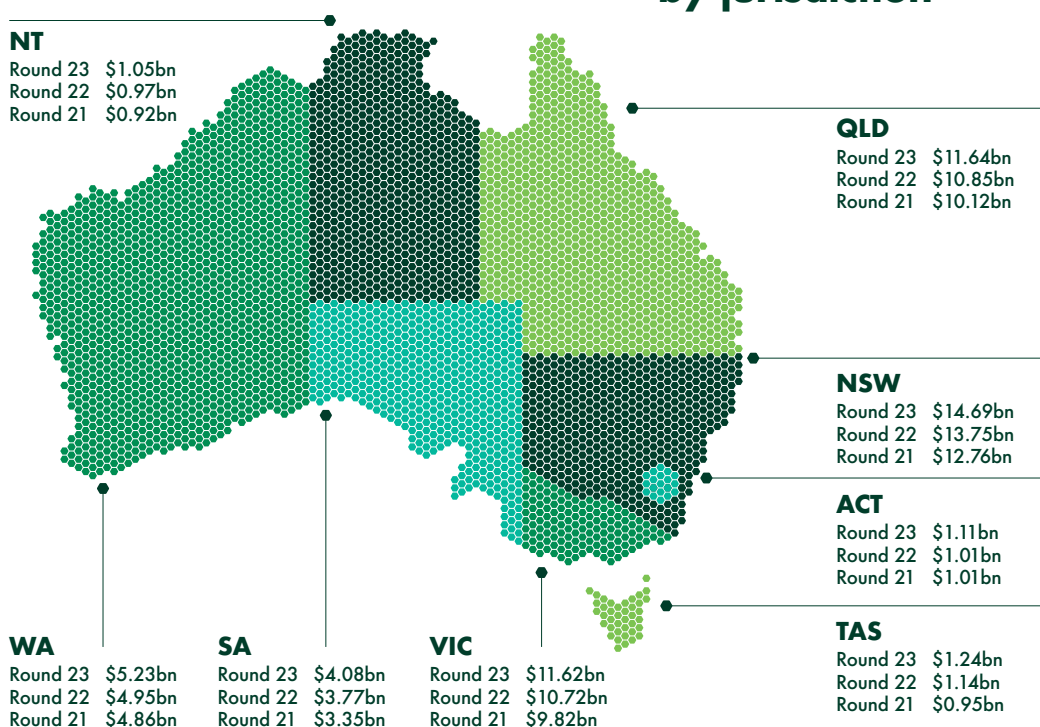
Total expenditure by jurisdiction

The national expenditure on hospital activity in Round 23 was

\$50.65 billion

Round 22
\$47.17 billion

Round 21
\$43.78 billion



Patient activity streams

Patient activity refers to services and procedures received by the patient in relation to their care. The NHCDC results are presented by the following five broad patient activity streams:



Admitted acute care

An admitted acute care **patient separation** represents a formal admission to hospital to receive short-term treatment. This includes treating illnesses, injuries, performing surgery or diagnostic procedures and manage childbirth.



Non-admitted care

A non-admitted **patient service event** represents a patient encounter that has not undergone the formal hospital admission process and do not occupy a hospital bed. This includes hospital outpatient clinics, community based clinics and patients' homes.



Subacute and non-acute care

Subacute and non-acute care **patient separations** represent the delivery of a specialised care service that is related to the optimisation of the patient's functioning and quality of life. This includes psychogeriatric care, geriatric evaluation and management (GEM) care, rehabilitation and palliative care.



Emergency department care

An emergency department **presentation** represents the delivery of a service provided to a patient in a hospital's emergency department. Emergency departments are dedicated hospital-based facilities specifically designed and staffed to provide 24 hour emergency care.



Mental health care

A mental health care **service event or phase** represents the delivery of a mental health care service to a patient and can be provided either in an admitted or a community setting.

Costed activity

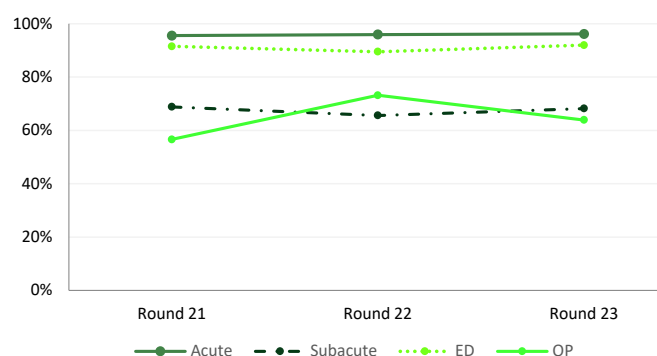
In addition to cost data submitted via the NHCDC, jurisdictions submit activity data to IHPA for activity based funding purposes. When both activity and NHCDC cost data relating to a particular patient episode are submitted, IHPA links the data.

The completeness of the NHCDC is measured by the percentage of linked activity data, this is also known as 'costed activity'.

96%

of the admitted acute care episodes (submitted via IHPA's activity data collection) had matching cost data.

Level of costed activity for Round 21–23



Cost buckets

IHPA reports on cost data submitted to the NHCDC using cost buckets. Cost buckets represent cost pools within a hospital which relate to a particular function of the hospital – for example, the hospital operating room.

For Round 23, the ward nursing cost bucket accounted for the biggest share of the costs for the admitted acute (18.7 percent of costs), subacute (32.4 percent) and mental health (33.3 percent) activity streams.

Average share of costs by selected cost buckets, by activity stream

Cost bucket	Acute (%)	Subacute (%)	Emergency Dept. (%)	Non-admitted (%)	Admitted mental health (%)	Community mental health (%)
Ward medical	11.8	12.6	1.2	17.8	15.6	14.5
Ward nursing	18.7	32.4	1.0	14.5	36.1	23.9
Allied health	3.1	12.1	0.5	11.9	4.9	24.6
Non-clinical	6.6	11.2	1.0	10.1	11.1	12.6
On-costs	7.3	9.1	7.3	6.8	8.8	8.2
Pathology	3.6	1.1	6.1	4.4	0.9	0.6
Imaging	2.5	0.8	9.9	4.7	0.3	0.1
Prosthesis	2.9	0.1	0.1	0.3	0.0	0.0
Total	\$5,027	\$13,974	\$732	\$332	\$18,102	\$3,591

Number of encounters per activity stream

	R21	R22	R23
Admitted acute separations	5,773,060	6,019,003	6,212,682
Subacute & non-acute separations	199,908	218,434	231,385
Emergency department presentations	7,662,322	7,877,053	8,184,682
Non-admitted service events	18,592,529	21,529,952	20,731,176
Mental health service events	237,357	193,187	493,914

Total number of encounters for Round 23

35,874,680

Admitted acute care

The national expenditure on admitted acute care patient activity was

\$31.23 billion

61.7%

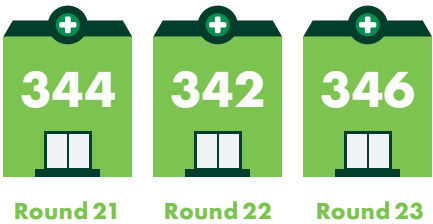
This represents 61.7% of total hospital expenditure reported in the NHCDC in Round 23.



Round 22
\$29.40 billion

Round 21
\$27.67 billion

Number of hospitals that submitted admitted acute care cost data



The average cost per admitted acute care separation for Round 23 was

\$5,027

Round 22 \$4,885 | Round 21 \$4,792

6,212,682

The data contains detailed cost information for 6,212,682 admitted acute care patient separations.

The separations were represented by 795 different Australian Refined Diagnosis Related Groups (AR-DRGs) Version 10.0. The most commonly reported related to haemodialysis, chemotherapy and chest pain.

> Taken together, admitted acute care accounted for 17.3% of all hospital patient activity reported to Round 23 of the NHCDC.

> 17.3 PERCENT

Comparing patient complexity

To compare costs between jurisdictions, IHPA uses 'weighted patient separations'. A weighted separation considers the relative complexity associated with treating each patient. This is based on the average cost required to treat that separation type at the national level.

For example, in Round 23, a single heart transplant patient separation accounts for 32.61 weighted separations. A colonoscopy, major complexity accounts for 1.25 of a weighted separation. This reflects the greater complexity of heart transplants.

If a jurisdiction's average cost per weighted separation is lower than the actual average, its mix of services provided to patients is more complex than the national average.

Highest volume AR-DRGs for Round 23

AR-DRG	Description	Separations	ALOS	Average cost (\$)
C16	Lens Interventions	73,378	1.0	3,030
F74	Chest pain	130,705	1.2	1,066
G48	Colonoscopy	102,678	1.3	2,917
L61	Haemodialysis	1,201,517	1.0	606
R63	Chemotherapy	267,344	1.0	2,041

Highest volume AR-DRGs for Round 22

AR-DRG	Description	Separations	ALOS	Average cost (\$)
C16	Lens Interventions	71,677	1.0	2,865
F74	Chest pain	123,969	1.2	1,093
G48	Colonoscopy	94,834	1.4	2,777
L61	Haemodialysis	1,169,476	1.0	598
R63	Chemotherapy	247,742	1.0	1,765

Admitted acute care results across Australia

NSW	R21	R22	R23
Avg cost per sep (\$)	5,096	5,267	5,443
Avg cost per weighted sep (\$)	4,688	4,737	4,894
Same-day (SD) as % of all seps	48%	48%	48%
Avg length of stay (days)	2.88	2.86	2.86
Avg length of stay (days) – exc. SD	4.59	4.57	4.61

VIC	R21	R22	R23
Avg cost per sep (\$)	4,156	4,282	4,534
Avg cost per weighted sep (\$)	4,329	4,563	4,746
Same-day (SD) as % of all seps	61%	61%	61%
Avg length of stay (days)	2.25	2.23	2.21
Avg length of stay (days) – exc. SD	4.19	4.17	4.14

QLD	R21	R22	R23
Avg cost per sep (\$)	4,534	4,523	4,542
Avg cost per weighted sep (\$)	4,731	4,720	4,799
Same-day (SD) as % of all seps	58%	59%	60%
Avg length of stay (days)	2.14	2.09	2.06
Avg length of stay (days) – exc. SD	3.71	3.64	3.67

SA	R21	R22	R23
Avg cost per sep (\$)	5,627	6,032	6,345
Avg cost per weighted sep (\$)	5,230	5,644	5,782
Same-day (SD) as % of all seps	50%	51%	52%
Avg length of stay (days)	2.73	2.68	2.65
Avg length of stay (days) – exc. SD	4.48	4.43	4.43

WA	R21	R22	R23
Avg cost per sep (\$)	6,011	5,827	5,864
Avg cost per weighted sep (\$)	6,037	5,821	5,859
Same-day (SD) as % of all seps	58%	59%	60%
Avg length of stay (days)	2.23	2.16	2.15
Avg length of stay (days) – exc. SD	3.95	3.85	3.89

TAS	R21	R22	R23
Avg cost per sep (\$)	5,324	5,772	5,940
Avg cost per weighted sep (\$)	4,756	5,188	5,602
Same-day (SD) as % of all seps	53%	54%	55%
Avg length of stay (days)	2.71	2.67	2.63
Avg length of stay (days) – exc. SD	4.67	4.63	4.60

NT	R21	R22	R23
Avg cost per sep (\$)	3,665	3,696	3,695
Avg cost per weighted sep (\$)	6,149	6,231	6,518
Same-day (SD) as % of all seps	71%	72%	73%
Avg length of stay (days)	1.97	1.93	1.89
Avg length of stay (days) – exc. SD	4.40	4.26	4.27

ACT	R21	R22	R23
Avg cost per sep (\$)	5,325	5,319	5,690
Avg cost per weighted sep (\$)	5,163	5,057	5,243
Same-day (SD) as % of all seps	55%	54%	53%
Avg length of stay (days)	2.57	2.58	2.59
Avg length of stay (days) – exc. SD	4.46	4.42	4.38



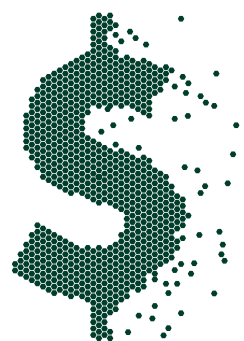
Subacute and non-acute care

The national expenditure on subacute and non-acute care patient activity was

\$3.23
billion

6.4%

This represents 6.4% of total hospital expenditure reported in the NHCDC in Round 23.



Round 22
\$2.93 billion

Round 21
\$2.80 billion

Hospitals that submitted subacute and non-acute care cost data



The national average cost per AN-SNAP class was

\$13,974

Round 22 **\$13,393** | Round 21 **\$13,987**

IHPA uses the **Australian National Subacute and Non-Acute Patient (AN-SNAP)** classification system to classify subacute and non-acute care.

231,385

The subacute and non-acute care data contain detailed cost information for 231,385 patient separations.

National average cost per subacute care type

	R21	R22	R23
Psychogeriatric care	40,231	39,139	41,038
Geriatric evaluation and management	16,450	17,011	17,635
Rehabilitation care	15,465	16,004	16,974
Palliative care	7,714	6,367	7,167

Results across Australia

NSW	R21	R22	R23
Total expenditure (\$)	802.5m	836m	898.9m
Total separations	81,447	82,289	84,253
Avg cost per separation (\$)	9,853	10,159	10,669
Number of hospitals	92	91	93
Avg length of stay (days)	10	9	10

VIC	R21	R22	R23
Total expenditure (\$)	739.1m	761.6m	916.5m
Total separations	44,533	53,550	62,061
Avg cost per separation (\$)	16,596	14,223	14,768
Number of hospitals	62	61	62
Avg length of stay (days)	19	16	15

QLD	R21	R22	R23
Total expenditure (\$)	646.1m	679.1m	713.5m
Total separations	42,858	48,229	49,566
Avg cost per separation (\$)	15,076	14,081	14,395
Number of hospitals	101	103	102
Avg length of stay (days)	12	10	10

SA	R21	R22	R23
Total expenditure (\$)	137m	165.5m	197.9
Total separations	10,258	12,284	13,330
Avg cost per separation (\$)	13,354	13,470	14,849
Number of hospitals	18	18	17
Avg length of stay (days)	12	12	12

WA	R21	R22	R23
Total expenditure (\$)	307.9m	310.6m	297.6m
Total separations	11,754	11,918	11,847
Avg cost per separation (\$)	26,193	26,059	25,123
Number of hospitals	31	31	33
Avg length of stay (days)	18	17	17

TAS	R21	R22	R23
Total expenditure (\$)	57.6m	63.1m	54.6m
Total separations	3,044	3,180	3,530
Avg cost per separation (\$)	18,924	19,845	15,460
Number of hospitals	20	21	21
Avg length of stay (days)	15	17	16

NT	R21	R22	R23
Total expenditure (\$)	40.5m	44.4m	64m
Total separations	983	1,051	1,230
Avg cost per separation (\$)	41,206	42,216	50,050
Number of hospitals	5	5	6
Avg length of stay (days)	23	24	29

ACT	R21	R22	R23
Total expenditure (\$)	65.5m	65.3m	90.2m
Total separations	5,031	5,933	5,568
Avg cost per separation (\$)	13,009	11,009	16,207
Number of hospitals	2	2	3
Avg length of stay (days)	11	9	11

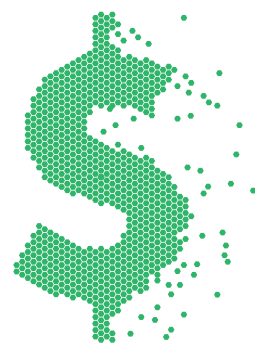
Emergency department care

The national expenditure on emergency department patient activity was

\$5.99
billion

11.8%

This represents 11.8% of total hospital expenditure reported in the NHCDC in Round 23.



Round 22
\$5.55 billion

Round 21
\$5.10 billion

Number of hospitals that submitted emergency department care cost data



Round 21

Round 22

Round 23



The Round 23 average cost per emergency department presentation was

\$732

Round 22 **\$705** | Round 21 **\$666**

8,184,682

The data contains detailed cost information for 8,184,682 emergency department presentations.



22.8
PERCENT

Taken together, emergency department presentations accounted for 22.8% of all hospital patient activity reported to Round 23 of the NHCDC.

Results across Australia

NSW	R21	R22	R23
Total expenditure (\$)	1,639m	1,755m	1,854m
Avg cost per ED presentation (\$)	660	680	700
Avg cost per admitted ED presentation (\$)	924	957	981
Avg cost per non-admitted ED presentation (\$)	561	575	594
Percent of ED presentations admitted to hospital (%)	27%	27%	27%

VIC	R21	R22	R23
Total expenditure (\$)	1,013m	1,134m	1,255m
Avg cost per ED presentation (\$)	605	658	698
Avg cost per admitted ED presentation (\$)	908	965	1,032
Avg cost per non-admitted ED presentation (\$)	432	472	502
Percent of ED presentations admitted to hospital (%)	36%	37%	37%

QLD	R21	R22	R23
Total expenditure (\$)	1,201m	1,325m	1,441m
Avg cost per ED presentation (\$)	652	713	729
Avg cost per admitted ED presentation (\$)	940	1,024	1,067
Avg cost per non-admitted ED presentation (\$)	524	570	570
Percent of ED presentations admitted to hospital (%)	31%	31%	32%

SA	R21	R22	R23
Total expenditure (\$)	321m	371m	406m
Avg cost per ED presentation (\$)	660	741	787
Avg cost per admitted ED presentation (\$)	898	953	1,046
Avg cost per non-admitted ED presentation (\$)	543	639	667
Percent of ED presentations admitted to hospital (%)	33%	33%	32%

WA	R21	R22	R23
Total expenditure (\$)	603m	626m	656m
Avg cost per ED presentation (\$)	838	857	861
Avg cost per admitted ED presentation (\$)	1,415	1,443	1,464
Avg cost per non-admitted ED presentation (\$)	664	667	675
Percent of ED presentations admitted to hospital (%)	23%	25%	24%

TAS	R21	R22	R23
Total expenditure (\$)	115m	128m	134m
Avg cost per ED presentation (\$)	732	784	805
Avg cost per admitted ED presentation (\$)	1,371	1,670	1,608
Avg cost per non-admitted ED presentation (\$)	486	397	435
Percent of ED presentations admitted to hospital (%)	28%	30%	32%

NT	R21	R22	R23
Total expenditure (\$)	106m	106m	124m
Avg cost per ED presentation (\$)	688	665	753
Avg cost per admitted ED presentation (\$)	903	908	1,009
Avg cost per non-admitted ED presentation (\$)	573	532	613
Percent of ED presentations admitted to hospital (%)	35%	36%	35%

ACT	R21	R22	R23
Total expenditure (\$)	101m	110m	119m
Avg cost per ED presentation (\$)	705	744	799
Avg cost per admitted ED presentation (\$)	1,052	1,249	1,414
Avg cost per non-admitted ED presentation (\$)	541	517	521
Percent of ED presentations admitted to hospital (%)	32%	31%	31%

Non-admitted care

The national expenditure on non-admitted care patient activity was

\$6.89 billion

13.6%

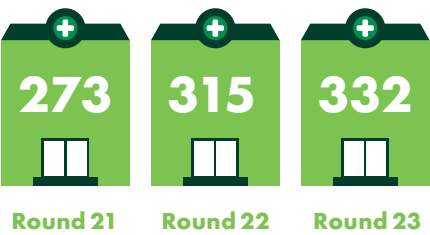
This represents 13.6% of total hospital expenditure reported in the NHCDC in Round 23.



Round 22
\$6.82 billion

Round 21
\$5.74 billion

The number of hospitals that submitted non-admitted care cost data



The average cost per non-admitted care service event was

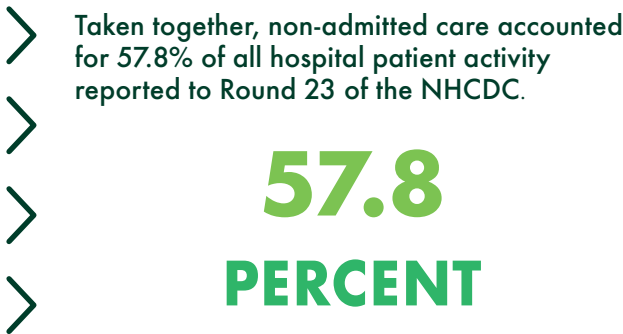
\$3332

An increase of 4.9% since Round 22



20,731,176

The data contains detailed cost information for 20,731,176 non-admitted care patient service events.



IHPA uses the Tier 2 Non-Admitted Services Classification to classify non-admitted care. The classification is split between clinics where procedures are undertaken, and clinics that are led by medical, nurse practitioner or allied health personnel.

Description of Tier 2 classification groups and results from Round 23

Tier 2 classification	Description	Service events	Total expenditure (\$m)	Average cost per service event
Procedures (10 series)	Clinics with health care professionals which provide procedural based health services – includes treatment related to chemotherapy, renal dialysis, radiation therapy.	1,454,947	968.7	666
Medical consultation (20 series)	Clinics where medical consultation is provided by a medical or nurse practitioner – includes treatment related to ophthalmology, orthopaedics, and obstetrics.	9,385,173	3,634.8	387
Diagnostic services (30 series)	Clinics that provide diagnostic services as inputs to the healthcare services of other non-admitted clinics – includes pathology, mammography screening.	238,841	88.2	369
Allied health and/or clinical nurse specialist intervention (40 series)	Clinics where there are allied health personnel and/ or Clinical Nurse Specialists providing the majority of services in a clinic – includes midwifery, physiotherapy, and primary health care.	9,580,982	2,180.4	228

This table excludes 71,233 service events with missing Tier 2 classifications.

Non-admitted care results across Australia

NSW	R21	R22	R23
Total expenditure (\$)	1,487.8m	1,933.1m	1,863.1m
Total service events	6,499,358	7,376,347	7,066,650
Avg cost per service event (\$)	229	262	264
Avg cost per Medical consultation - 20 series (\$)	243	299	291
Avg cost per Allied health/clinical nurse intervention - 40 series (\$)	169	190	187

VIC	R21	R22	R23
Total expenditure (\$)	1,029.7m	1,256.7m	965.8m
Total service events	2,985,416	4,000,358	2,829,584
Avg cost per service event (\$)	345	314	341
Avg cost per Medical consultation - 20 series (\$)	371	358	417
Avg cost per Allied health/clinical nurse intervention - 40 series (\$)	194	221	229

QLD	R21	R22	R23
Total expenditure (\$)	1,487.3m	1,700.6m	1,938.2m
Total service events	4,434,466	4,991,063	5,456,805
Avg cost per service event (\$)	335	341	355
Avg cost per Medical consultation - 20 series (\$)	357	362	382
Avg cost per Allied health/clinical nurse intervention - 40 series (\$)	277	273	281

SA	R21	R22	R23
Total expenditure (\$)	587.1m	701m	778m
Total service events	1,400,719	1,450,208	1,537,493
Avg cost per service event (\$)	419	483	506
Avg cost per Medical consultation - 20 series (\$)	454	516	564
Avg cost per Allied health/clinical nurse intervention - 40 series (\$)	186	214	220

WA	R21	R22	R23
Total expenditure (\$)	659.3m	702m	759.4m
Total service events	1,809,449	2,068,728	2,168,321
Avg cost per service event (\$)	364	339	350
Avg cost per Medical consultation - 20 series (\$)	451	435	445
Avg cost per Allied health/clinical nurse intervention - 40 series (\$)	262	238	234

TAS	R21	R22	R23
Total expenditure (\$)	116.7m	164.2m	206.8m
Total service events	378,446	565,660	552,297
Avg cost per service event (\$)	308	290	375
Avg cost per Medical consultation - 20 series (\$)	441	319	353
Avg cost per Allied health/clinical nurse intervention - 40 series (\$)	260	242	277

NT	R21	R22	R23
Total expenditure (\$)	148.9m	146.4m	152.5m
Total service events	290,172	280,840	301,056
Avg cost per service event (\$)	513	521	506
Avg cost per Medical consultation - 20 series (\$)	693	600	566
Avg cost per Allied health/clinical nurse intervention - 40 series (\$)	265	293	286

ACT	R21	R22	R23
Total expenditure (\$)	225.1m	215.7m	226.4m
Total service events	794,503	796,748	818,970
Avg cost per service event (\$)	283	271	276
Avg cost per Medical consultation - 20 series (\$)	453	385	391
Avg cost per Allied health/clinical nurse intervention - 40 series (\$)	217	201	199



Mental health care

The national expenditure on mental health care patient activity was

\$3.23 billion

> 6.4%
> This represents 6.4% of total hospital expenditure reported in the NHCDC in Round 23.



Round 22
\$2.40 billion

Round 21
\$2.42 billion

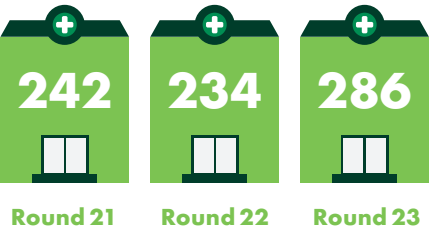
In the Australian hospital system, mental health care is provided to patients in both admitted and community settings.

The admitted setting includes consumers who are formally admitted for treatment in a general ward or a designated psychiatric unit in a general or a psychiatric hospital.

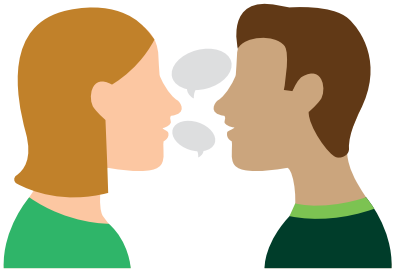
The community setting includes mental health care services delivered to consumers who are not admitted to an inpatient facility or reside in a residential mental health care facility.

IHPA reports mental health costs using the Australian Mental Health Care Classification.

The number of hospitals that submitted mental health care cost data



These hospitals were identified by the reported patient care types.



The national average cost per admitted mental health patient separation was

\$18,102

The national average cost per community setting mental health care service event was

\$3,591

Mental health care results from Round 22 and Round 23

Mental health setting	Round 22			Round 23		
	Number of hospitals	Episodes	Total expenditure (\$m)	Number of hospitals	Episodes	Total expenditure (\$m)
Admitted mental health	164	118,756	1,919.8	222	136,640	2,473.4
Community mental health	80	56,619	328.1	123	193,875	696.2

This table excludes 17,812 episodes which are ungroupable in Round 22 and 163,399 episodes which are ungroupable in Round 23.



Further Information
Access the complete Round 23 NHCDC Cost Report (and tables) online: www.ihpa.gov.au