



**ACT Health**

---

Office of the Director-General

Ms Joanne Fitzgerald  
Acting Chief Executive Officer  
Independent Hospital Pricing Authority  
PO Box 483  
DARLINGHURST NSW 1300  
secretariatihpa@ihpa.gov.au

Dear Ms Fitzgerald

**Round 25 National Hospital Cost Data Collection Data Quality Statement**

Thank you for your letter of 11 April 2022 requesting that the ACT Health Directorate provide a Data Quality Statement for data provided to the Independent Hospital Pricing Authority (IHPA) for the 2020-21 (Round 25) National Hospital Cost Data Collection (NHDC).

As requested, please find attached ACT Health Directorate's Data Quality Statement. The response provides commentary on all areas as requested, and information on changes between NHDC rounds.

All data provided by ACT to Round 25 of the NHDC has been prepared in accordance with the Australian Hospital Patient Costing Standards.

We thank IHPA for their ongoing work in the collation of the NHDC and hope this statement meets all requirements. If IHPA wishes to discuss this statement further, please contact Ms Maria Travers, Executive Branch Manager, Data Analytics Branch on (02) 5124 9922 or via email at [Maria.Travers@act.gov.au](mailto:Maria.Travers@act.gov.au).

The ACT remains committed to working in collaboration with IHPA in making enhancements to the NHDC submissions. I look forward to our continued collaboration on this and other matters.

Yours sincerely

Rebecca Cross  
**Director-General**  
08 July 2022



## 2020-21 National Hospital Cost Data Collection - Data Quality Statement

### **1. Overview of costing environment**

The National Hospital Data Collection (NHCDC) costing submission is undertaken annually by the ACT Health Directorate (ACTHD) in consultation with hospital services.

#### **1.1 Which costing systems are in use?**

ACTHD uses Power Health Solutions PPM2 costing software.

#### **1.2 Is there any jurisdiction-wide training/support for costing practitioners? If so, provide details.**

There is no official jurisdiction-wide training conducted however the following support is available:

- Regular technical working group meetings;
- Review of cost allocations; and
- Access to costing data for health services to undertake further analysis.

#### **1.3 Provide details of any changes from previous year specifically details of improvements in costing process and methodology.**

ACTHD's costing process is reviewed annually to ensure the submitted NHCDC data meets national requirements.

Examples of reviews undertaken include:

- Review and update of allocation statistics;
- Continuous improvements for feeder data linking rules; and
- Improved reconciliation and approval process.

The R25 NHCDC submission includes community mental health cost data at episode level.

### **2. Submitted cost data**

#### **2.1 How many hospitals provided cost data for the Round 25 NHCDC? Provide details about the number of submitting facilities and the changes from prior year (state movement in number of facilities and costs submitted)**

The 2020-21 costing submission includes the below hospitals:

- Canberra Health Services (CHS);
- Calvary Public Hospital, Bruce (CPHB); and
- University of Canberra Hospital (UCH).

## **2.2 At a jurisdiction level, did you experience any challenges with costing of specific products in Round 25?**

ACTHD commenced costing at the phase of care level for palliative care and mental health. This process has not fully matured, and costs were submitted to Independent Hospital Pricing Authority (IHPA) at an episode level with the intention to report at the phase level from next year.

## **2.3 Describe the quality assurance tests undertaken on the patient cost data.**

The Quality Assurance (QA) process is undertaken at various phases of the costing cycle.

ACT's annual costing exercise involves data extraction, processing, validation and reporting. ACTHD coordinates each stage, implementing continuous refinements in consultation with Health Service stakeholders. A number of quality assurance tests are undertaken throughout the costing exercise with a focus on accuracy of costing methodology as well as completeness of activity and cost data utilised in the costing study.

QA is largely an automated process and uses SQL code to capture in-scope costs and compare them to previous years. ACTHD also uses PPM2 reports and automatic logic checks to perform additional QA checks. ACTHD ensures the cost data submitted to IHPA is reliable and fit for purpose based on validations and quality assurance checks performed.

## **3. Adherence to the Australian Hospital Patient Costing Standards**

### **3.1 Describe the level of compliance against the Australian Hospital Patient Costing Standards – at the hospital and jurisdiction level.**

Data provided by ACTHD for Round 25 of the NHCDC has been prepared in adherence with Australian Hospital Patient Costing Standards (AHPCS). ACTHD also includes medical expenses in trust accounts that sit outside the General Ledger.

### **3.2 State any exceptions to AHPCS and explanations.**

Depreciation costs are excluded from ACT's costing submission.

## **4. Governance and use of cost data**

### **4.1 How is public hospital patient cost data used at the hospital/district or network and jurisdiction level?**

Costing data is used at the local hospital level to inform better decision-making.

### **4.2 Do the LHNs or Jurisdiction submit patient cost data to any other jurisdictional or national collections? If so, provide details.**

ACTHD provides costing data to Health Round Table (HRT) and Women's & Children's Health Care Australasia. Reports from HRT are used by hospital staff for benchmarking purposes.

### **4.3 What is the process for review and approval the data before submission to NHCDC?**

ACTHD, in consultation with each hospital, agree and apply the following costing methodology.

- Costing results are reviewed by ACTHD and the cost summary reports are sent to each hospital for review.
- Each hospital provides sign off post review.

## 5. COVID-19

5.1 Provide details of the compliance to the *COVID-19 Response – Costing and pricing guidelines*.

- Since 2020, the impact of COVID-19 has provided some challenges with data collection, accounting for expenses, and costing. To the best of our knowledge, ACTHD followed the COVID-19 guidelines in the R25 NHCDC submission.

### **Declaration**

All data provided by ACT to Round 25 (2020-21) of the National Hospital Cost Data Collection (NHCDC) submitted to the Independent Hospital Pricing Authority has been prepared in adherence with the Australian Hospital Patient Costing Standards (AHPCS) Version 4.1 as described in Section 3 of this statement.

Data provided to this submission has been reviewed for adherence to the AHPCS Version 4.1 and is complete and free of known material errors.

Section 3 provides details of any qualifications to our adherence to the AHPCS Version 4.1.

Assurance is given that to the best of my knowledge the data provided are suitable to be used for the primary purpose of the NHCDC, which includes development of the National Efficient Price.



*Rebecca Cross, Director General*