IHACPA

IHACPA Corporate Plan 2026–27 to 2029–30

August 2026

IHACPA Independent Health and Aged Care Pricing Authority

Acknowledgement of Country

We acknowledge the Traditional Owners and Custodians of Country throughout Australia, and recognise their continuing connection to land, sky, waters and culture. We pay our respects to them, and to Elders both past and present.

Artwork by Chern'ee Sutton

IHACPA Corporate Plan 2026–27 to 2029–30 — August 2026

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Abbreviations and acronyms

Abbreviations	Full term
ABF	Activity-based funding
ACN	Aged Care Network
Aged Care Act	*The Aged Care Act 2024*
Aged Care Rules	The Aged Care Rules 2025
AI	Artificial Intelligence
AN-ACC	Australian National Aged Care Classification
APS	Australian Public Service
ARCC	Audit, Risk and Compliance Committee
BCM	Business Continuity Management
CEO	Chief Executive Officer
CFO	Chief Financial Officer
DGSC	Data Governance Steering Committee
ICD	International Classification of Diseases
IHACPA	Independent Health and Aged Care Pricing Authority
MoU	Memorandum of Understanding
NAIDOC	National Aboriginal and Islanders Day Observance Committee
NATSIFACP	National Aboriginal and Torres Strait Islander Flexible Aged Care Program
NEC	National efficient cost
NEP	National efficient price
NHCDC	National Hospital Cost Data Collection
NHR Act	*National Health Reform Act 2011*
NHRA	National Health Reform Agreement
SDMS	Secure Data Management System
The addendum	Addendum to the National Health Reform Agreement 2026–31
The department	Department of Health, Disability and Ageing
The PGPA Act	*Public Governance, Performance and Accountability Act 2013*
The PGPA Rule	Public Governance, Performance and Accountability Rule 2014

Message from the CEO

I am pleased to present the Independent Health and Aged Care Pricing Authority (IHACPA) Corporate Plan 2026–27 to 2029–30. This plan covers the 4-year reporting period in compliance with paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act*.

IHACPA is an independent agency established under the *National Health Reform Act 2011* to implement national activity-based funding for public hospital services. We also provide costing and pricing advice for aged care services to the Australian Government. This work promotes efficiency and transparency in the delivery and funding of public health and aged care services across Australia.

The corporate plan outlines our purpose, program objectives, performance framework and operating environment. It aims to reflect our work and accountability more clearly and comprehensively to the Australian Government, states and territories, broader stakeholders and the Australian public.

Professor Michael Pervan
Chief Executive Officer
Independent Health and Aged Care Pricing Authority

1. Introduction

The Independent Health and Aged Care Pricing Authority (IHACPA) is an independent government agency established through the National Health Reform Agreement (NHRA) and under the *National Health Reform Act 2011* (the NHR Act) to improve health and aged care outcomes for all Australians.

In February 2026, the Australian Government and all state and territory governments signed the addendum to the NHRA, which amends the NHRA from 1 July 2026 to 30 June 2031.

The Chief Executive Officer (CEO) of IHACPA is the accountable authority presenting the IHACPA Corporate Plan 2026–27 to 2029–30, as required under section 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (the PGPA Act). The PGPA Act specifies reporting on corporate outcomes and performance measures across 2026–27 to 2029–30.

1.1 Vision

A sustainable Australian care system that is accessible, resilient and delivers quality care outcomes for everyone.

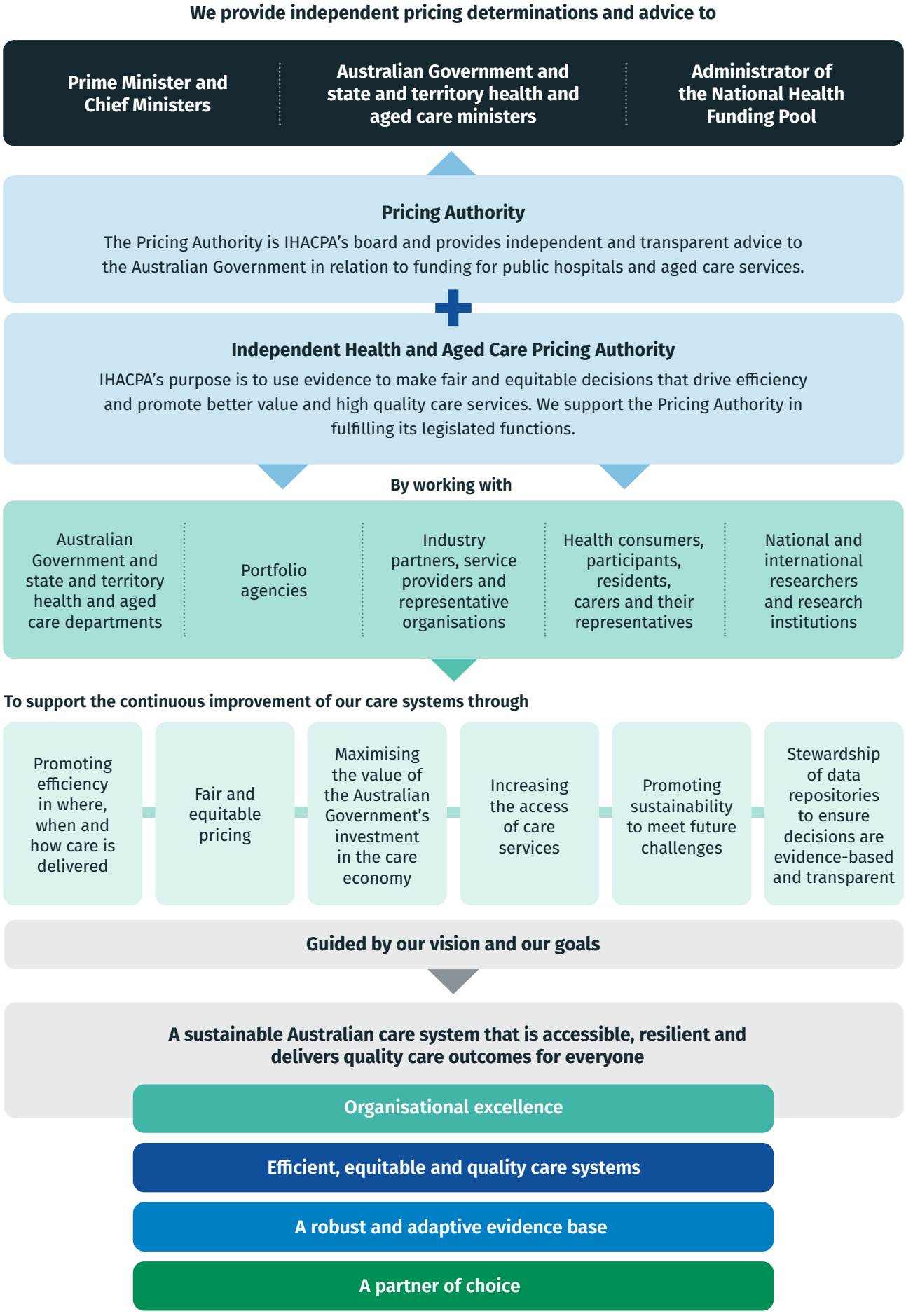
1.2 Our role in the care economy

IHACPA is committed to making fair, equitable and evidence-based decisions. We work with our stakeholders to reflect our broader vision for a care economy that is accessible, resilient and delivers quality outcomes for everyone.

IHACPA is an independent agency that promotes efficiency and increases transparency in the delivery and funding of public health and aged care services. Through consultation and collaboration with the Australian Government, state and territory governments, advisory committees, key stakeholders and the public, we deliver an annual program of work.

Our role in the care economy is outlined in **Figure 1**.

Figure 1: IHACPA's role in the care economy



1.3 Organisational structure

IHACPA is a corporate Commonwealth entity consisting of a Chair, Deputy Chair (Hospital Pricing), Deputy Chair (Aged Care Pricing), and up to 6 other members. The Pricing Authority is IHACPA's governing body, and it determines and provides advice to government in line with the NHR Act. The CEO is responsible for the day-to-day management of IHACPA and our staff. Our organisational structure is illustrated in **Figure 2**.

Figure 2: IHACPA's organisational structure

2. Purpose

Our purpose is to use evidence to make fair and equitable decisions that drive efficiency and promote better value, and higher quality care services. We design pricing systems that promote sustainable and high-quality care. This is achieved through the development of evidence-based pricing advice and annual determinations.

In August 2025, we published our first IHACPA Strategic Plan 2025–30. This marks an exciting time in our future as we embark on a transformative journey to becoming the leading authority on pricing and costing for health and aged care services, not only in Australia but also internationally.

The IHACPA Corporate Plan 2026–27 to 2029–30 has been aligned to our Strategic Plan to ensure consistency and transparency in our work.

2.1 Portfolio Budget Statements

The Health and Aged Care Portfolio Budget Statements 2026–27 provide performance information for programs of work undertaken by Commonwealth entities for 2026–27. IHACPA's Portfolio Budget Statements are outlined in **Table 1**.

Table 1: IHACPA Portfolio Budget Statements

Outcome 1
Support public hospitals and aged care services to improve efficiency in, and access to, services through the provision of independent pricing determinations and advice and designing pricing systems that promote sustainable and high-quality care.
Program 1.1
IHACPA promotes improved efficiency in, and access to, public hospital and aged care services by providing independent advice to the Australian Government and state and territory governments regarding pricing of healthcare and aged care services, and by developing and implementing robust systems to support activity-based funding for those services.

3. Key activities

The IHACPA Corporate Plan 2026–27 to 2029–30 has 6 program objectives with key activities for delivery. The deliverables are presented in our Work Program, which is available on the IHACPA website.

Perform pricing functions

A key function for IHACPA is the annual development of the national efficient price (NEP) and the national efficient cost (NEC) determinations for Australian public hospital services. The Pricing Framework for Australian Public Hospital Services forms the policy basis for the NEP and NEC determinations. It outlines the principles, scope and methodology in the setting of the NEP and NEC for public hospital services in the next financial year.

We provide independent advice to the Australian Government Minister for Health and Ageing on pricing and costing for residential aged care services. The Pricing Framework for Australian Residential Aged Care Services outlines the principles, scope and methodology we use when making recommendations to the minister on refining the funding model for residential aged care services.

We also provide annual pricing advice to government on the Support at Home program. Consultation on the development of the Pricing Framework for Australian Support at Home Aged Care Services informs the core principles of pricing advice for the service list.

IHACPA is responsible for approving refundable accommodation payment amounts higher than the maximum, or the equivalent daily accommodation payment, as prescribed by the Aged Care Rules 2025.

Refine and develop hospital classification systems and provide advice on aged care classification systems

Classifications for the health care sector provide a nationally consistent method of classifying all types of patients, their treatment and associated costs. We have determined national classification systems for the admitted acute, admitted subacute and non-acute, emergency, mental health, non-admitted patient service categories, and teaching and training services. These classifications are reviewed regularly and updated periodically, to ensure that they remain clinically relevant and resource homogeneous within a service category.

Within the residential aged care sector, the Australian National Aged Care Classification (AN-ACC) funding model provides approved aged care providers with subsidies at a level that reflect service location and specialisation, and each resident's care needs. The AN-ACC relates resident care need characteristics to the resources required to deliver the care. Where requested by government, we may recommend refinement areas for AN-ACC.

Refine and improve hospital and aged care costing

Costing focuses on the cost and mix of resources used to deliver care. It also plays a vital role in funding. Costing informs the development of classification systems and provides valuable information for pricing.

For the health care sector, we coordinate the annual National Hospital Cost Data Collection (NHCDC), which is the primary input into the NEP. This includes the development of national costing standards, collection, validation, quality assurance, analysis and reporting, and benchmarking. The cost collection is undertaken in collaboration with state and territory governments and private hospitals.

For residential and in-home aged care, IHACPA is conducting annual cost collections for developing our pricing advice. We are also developing costing standards and, where required, business rules and guidelines to guide the allocation of resident level costs.

Determine data requirements and collect data

Timely, accurate and reliable data is vital to enable IHACPA to perform pricing functions and refine and develop healthcare classification systems. We have developed a rolling Three Year Data Plan to communicate to the Australian Government, state and territory governments and the aged care sector of the data requirements, data standards and timelines that we will use to collect data over the coming 3 years. To ensure greater transparency, we publish data compliance reports on a quarterly basis. The reports are used to indicate the compliance of the Australian Government and state and territory governments for the reporting of public hospital data in line with the Three Year Data Plan.

Investigate and make recommendations concerning cost-shifting and cross-border disputes between states and territories in relation to public hospital services

IHACPA investigates and makes recommendations on cost-shifting and cross-border disputes between states and territories for public hospital services, when requested by a state or territory health minister. This ensures the timely, equitable and transparent management of these disputes.

Conduct independent and transparent decision-making and engage with stakeholders

We complete our work independently from the Australian Government and state and territory governments. This allows the Pricing Authority to deliver impartial, evidence-based decisions and advice. We are transparent in our decision-making processes and consult extensively with our key stakeholders. This helps inform the methodology underpinning our decisions, advice and work program.

In addition, formal consultation processes ensure we can draw on an extensive range of expertise in undertaking our functions. Stakeholder input from IHACPA's advisory committees and working groups also ensures that our work is informed by expert advice, establishing and upholding credibility across the health and aged care sectors.

4. Operating context

The Independent Health and Aged Care Pricing Authority (IHACPA) operates within a dynamic environment shaped by legislative obligations, external factors, organisational capabilities and stakeholder collaborations.

Since the agency's creation, we have established ourselves as a global leader in the development and refinement of classification and hospital activity and cost data collection systems, which are people-centred, robust and reflect current clinical care practices.

Ensuring Australians receive the best outcomes through efficient delivery of health and aged care services remain central to our work.

4.1 Environment

The Australian health system is evolving, driven by rising demand, demographic change and shifts toward more person-centred care. Our operating environment is also shaped by external pressures, including global instability, climate-related events, technological change and broader economic conditions.

Health workforce

Australia's evolving healthcare landscape and demographic shifts are increasing the demand for health and aged care services, placing pressure on workforces. Population growth and an ageing population are also driving higher service needs, while shortages persist in key specialties, including general practice, mental health, nursing and allied health. Competition in the global labour market further contributes to ongoing recruitment challenges.

Legislative framework

IHACPA was established under the *National Health Reform Act 2011* (the NHR Act) to promote improved efficiency in, and access to, public hospital and aged care services, and is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In 2022, in response to the recommendations of the Royal Commission into Aged Care Quality and Safety, our role was expanded. This included the provision of annual independent aged care pricing and costing advice to the Minister for Health and Ageing. It also included authority to approve refundable accommodation deposit amounts higher than the maximum, as prescribed by the Aged Care Rules 2025.

The *Aged Care Act 2024* (the Aged Care Act) commenced on 1 November 2025, replacing the *Aged Care Act 1997*. The Aged Care Act provides a new regulatory model for government-funded aged care services. Together, these frameworks establish the legislative requirements for our operations, governance, performance and accountability.

Demographic changes

Australia is experiencing significant demographic changes, with a growing and ageing population. Older Australians often live with multiple chronic health conditions. The complexity of these conditions requires a multidisciplinary approach often involving increased coordination of care and multiple health services. The demand for health and aged care services is expected to increase sharply, leading to additional pressure on the health and aged care system.

4.2 Capability

Human resources

IHACPA continues to place great value in creating a more productive and inclusive workplace and is committed to the recruitment and retention of a diverse workforce. We support a flexible work environment by continuing to support staff in balancing their work and life commitments.

The volume of highly technical work by IHACPA requires significant specialist workforce capability. Our workforce planning strategies will continue to emphasise both core public sector skills and the enhancement of the expert skills we require to meet our pricing and costing objectives.

We will also continue to strengthen our management and leadership teams by enhancing performance feedback and providing targeted learning and development programs.

The key focus areas during this corporate plan include continuing to:

- develop capability through attendance at internal and external training opportunities
- monitor staff turnover rates and give genuine consideration to feedback provided through the annual Australian Public Service 'State of the Service' report
- support flexible working arrangements and agile work practices.

During this period, IHACPA also anticipates continuing to reduce outsourcing of core work in line with the Australian Government APS Strategic Commissioning Framework. Our targets focus on reduced outsourcing of work in the data and research, policy, communications and marketing job sectors, with an expected reduction in outsourcing expenditure. This will be dependent on our ability to attract an appropriate level of suitably qualified staff for required roles. Research, analysis and planning will continue during 2026–27, aiming to develop reduction targets for 2027–28, 2028–29 and 2029–30.

Human Capital Plan

One of our strategic priorities during 2026–27 is the implementation of the IHACPA Human Capital Plan. This is to ensure that we are building the skills, knowledge, and capability needed in a consistent way to get our work done effectively.

The human capital plan commenced in January 2025. Some of the key actions within the plan include:

- developing a unique Employee Value Proposition, which reflects our dynamic workplace culture to position our agency as a great place to work
- building the efficiency and effectiveness of our recruitment and selection processes to attract and hire quality candidates
- reviewing the adequacy and availability of learning and development in core capabilities, to build the skills and knowledge we need in our people
- supporting ongoing engagement and retention strategies for our agency to foster career development and growth.

During the next 4 years, we will also focus on implementing a neuro-inclusive recruitment program.

Infrastructure

IHACPA will continue to enhance infrastructure to support the national activity-based funding system by:

- developing and refining health care classifications through specialist input from clinicians and other stakeholders
- establishing and maintaining national costing standards for health and aged care
- developing and maintaining standards for activity and cost data collections, including the annual publication of the Three Year Data Plan.

Information and communication technology

Information and communication technology are essential to our core work and performance. It enables data analysis, digitisation, automation, visualisation, engagement and a highly mobile and flexible workforce. Robust measures are in place to continuously maintain, test and upgrade data security.

We will continue to utilise secure cloud capabilities to deliver our Secure Data Management System (SDMS) and other secure information-based systems. The SDMS allows the Australian Government, state and territory governments and aged care providers to securely submit data to IHACPA. We can then also securely retain this information, while intensive analysis is undertaken to eliminate the risk of unauthorised data transfer.

IHACPA continues to invest in technology that enhances our efficiency, including exploring the use of artificial intelligence (AI) and other tools, that assist in organising, analysing and presenting data and our insights.

4.3 Cooperation and collaboration

In accordance with section 17 of the PGPA Act, IHACPA works with stakeholders from government agencies, researchers, educational facilities, the community and industry. This is achieved through public consultation and advisory committees and working groups with expertise in specialised fields. These mechanisms support a knowledge pipeline for technical advances and best practice innovation. Our advisory committee and working group structure is illustrated in **Table 2**.

Table 2: List of IHACPA advisory committees and working groups

Governing body
Pricing Authority
Committees
Aged Care Advisory Committee
Clinical Advisory Committee
Jurisdictional Advisory Committee
National Hospital Cost Data Collection Advisory Committee
Activity Based Funding Technical Advisory Committee
Working groups
Classifications Clinical Advisory Group
Diagnosis Related Groups Technical Group
Emergency Care Advisory Working Group
International Classification of Diseases (ICD) Technical Group
Mental Health Working Group
National Hospital Cost Data Collection (NHCDC) Private Sector Working Group
Non-admitted Care Advisory Working Group
Small Rural Hospitals Working Group
Subacute Care Working Group
Teaching, Training and Research Working Group

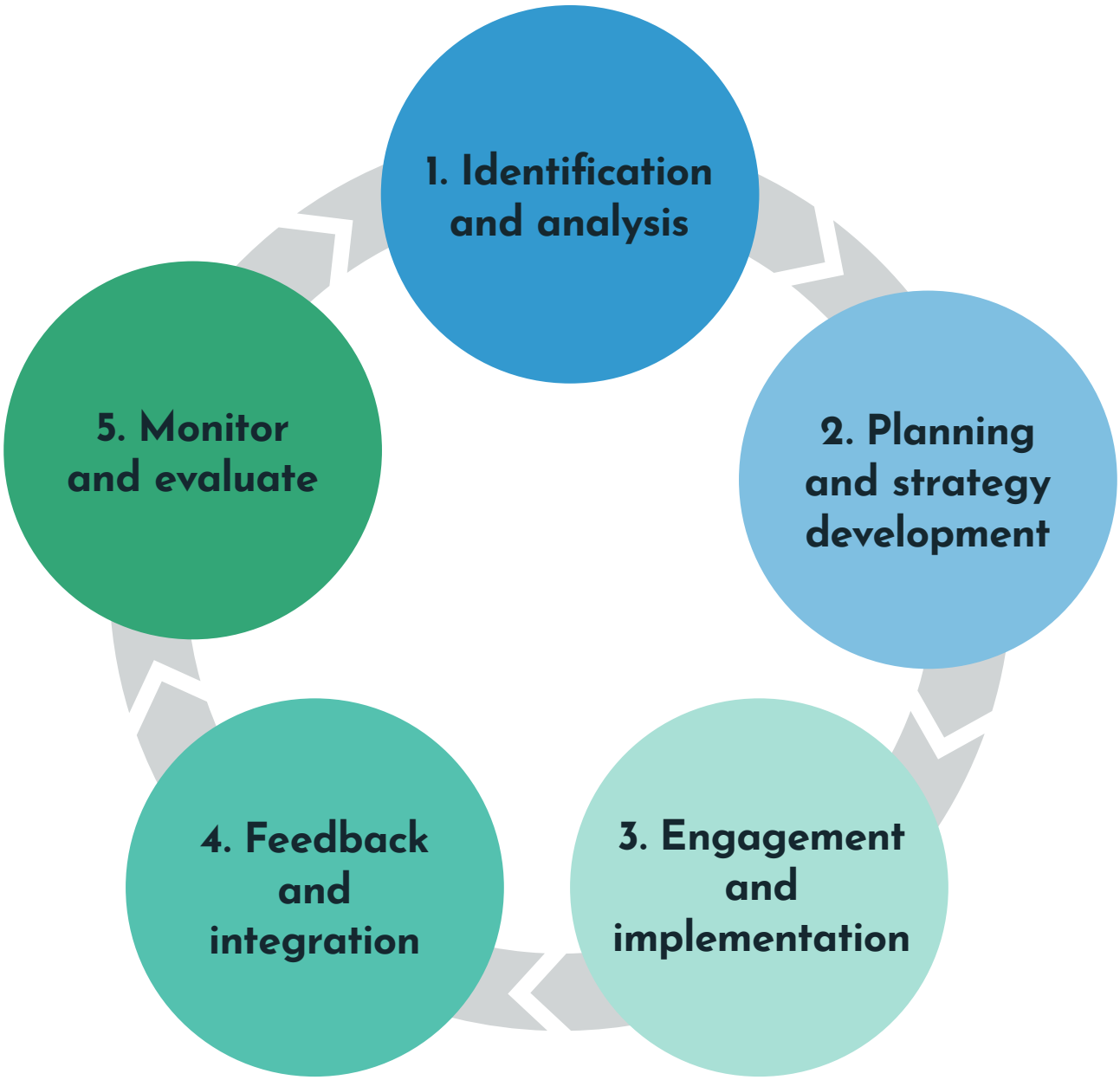
Aged Care Network

The Pricing Authority approved the establishment of the Aged Care Network in April 2025. The network enables IHACPA to seek targeted expert feedback and input on a broad range of relevant aged care matters and to supplement existing consultation processes.

Stakeholder management plan

Stakeholder engagement is central to IHACPA's culture and core functions. It is a fundamental principle in meeting the key deliverables of our work. Our engagement operating model sets out how we engage with our stakeholders. **Figure 3** shows our stakeholder engagement operating model.

Figure 3: Stakeholder engagement operating model



Engagement with domestic and international research institutions

Our engagement with domestic and international research institutions supports our commitment of being a partner of choice. To deliver robust classifications, pricing and data-driven insights, we rely on these strong partnerships. The collaborations expand our knowledge, research and workforce capability across the care economy. These engagements also strengthen the quality, relevance and impact of our work by providing expertise, advancing technical methodologies and diverse perspectives into our evidence base.

4.4 Enterprise risk

Since 2011, we have established a robust system of risk management and controls to assist in governance. Our governing body, the Pricing Authority, delivers the functions detailed in the NHR Act, the Aged Care Act and the Aged Care Rules. The Pricing Authority approves our core work activities, including:

- the annual NEP and NEC determinations for public hospital services
- developing annual pricing advice for residential aged care, residential respite care and in-home care
- building national classification systems for public hospital and aged care services.

Strategic risks

Strategic risks represent the most significant uncertainties that could affect IHACPA's ability to deliver our purpose, legislative functions and strategic priorities. These risks reflect key business, operational and external environment factors that require ongoing executive oversight and are managed through IHACPA's Risk Management Policy and Framework.

Our strategic risks are grouped into 4 major categories, outlined in **Table 3**, to support consistent identification, assessment, monitoring and reporting across the organisation.

Table 3: IHACPA's risk categories

Category of risk	
Reputational	Risks that could undermine confidence in IHACPA's integrity, decisions, performance or standing with Australian governments, stakeholders, the health and aged care sector or the public.
Data and information governance	Risks arising from the management, security, privacy, integrity, availability and appropriate use of data and information, including risks that could affect the quality, reliability or protection of information relied upon for decision making.
Corporate and operational	Risks affecting the systems, people, resources, governance, compliance and operational arrangements that support IHACPA's day to day activities and delivery of legislated responsibilities.
Innovation	Risks arising from innovative activities where outcomes, impacts or consequences are not yet fully known. This includes experimentation with new technologies, methods or approaches, where IHACPA maintains a higher tolerance for uncertainty in support of learning, improvement and capability uplift.

IHACPA's strategic risks are actively monitored through audits, assurance activities and internal control processes. Where new or changing risks emerge, additional analysis, mitigation strategies and escalation are undertaken to ensure risks remain within agreed tolerances and are managed appropriately.

We also maintain shared strategic risk registers with the National Health Funding Body, the Department of Health, Disability and Ageing and other national bodies, supporting coordinated oversight and management of shared risks.

Policies and procedures

IHACPA's policies and procedures provide the foundation for a consistent, accountable and practical approach to enterprise risk management. They translate legislative and governance requirements into day-to-day practice. They also support sound decision-making by ensuring risks are identified, assessed, communicated and managed in a way that is proportionate to our functions, operating context and strategic priorities.

Risk Management Policy and Framework

In May 2026, we updated the Risk Management Policy and Framework, which supports the agency's obligations as a corporate Commonwealth entity under the PGPA Act and is guided by ISO 31000:2018 Risk Management – Guidelines and the Commonwealth Risk Management Policy 2023. The framework outlines governance arrangements, assurance activities and controls, communication and training, and defined roles and responsibilities.

Within this framework, we manage several types of risks to ensure a consistent and comprehensive understanding across the agency. **Table 4** outlines these risk types.

Table 4: Risk types

Risk	Explanation
Artificial Intelligence (AI)	Risks arising from the use of AI affecting our decision-making, data integrity, privacy, security and fairness. Poorly governed AI may introduce errors or bias into analysis, expose personal or sensitive information, or create transparency and accountability issues.
Enterprise	Enterprise risks are high-level risks that could materially impact IHACPA's ability to deliver our purpose, legislative functions or strategic purposes. Enterprise risks are monitored by the Executive Committee and reviewed by the Audit, Risk and Compliance Committee.
Program and project	Program and project risks relate to uncertainties that may affect the delivery, continuity, scope, quality, timelines, resources or budget of IHACPA's ongoing programs and time-limited initiatives.
Shared	Shared risks are those that relate to IHACPA's responsibilities and objectives but extend beyond our direct control, requiring coordinated oversight with other agencies.
Innovative and emerging	Emerging risks are developing or uncertain risks that may impact IHACPA in the future but are not yet sufficiently defined for inclusion in the main risk register. These may arise from innovative activities where the consequences are not yet known.

Risk governance and oversight

Risk at IHACPA is supported by clear governance and oversight arrangements. The Executive Committee maintains oversight of the enterprise risk profile, while the Audit, Risk and Compliance Committee provides independent assurance on the effectiveness of risk management processes. These arrangements ensure significant risks are monitored, escalated where necessary and considered in strategic and operational decision-making.

Monitoring and reporting

These governance arrangements are reinforced structured monitoring and reporting processes. Risks are documented through risk registers and reviewed regularly to assess changes in IHACPA's operating environment, control effectiveness and risk exposure. This ensures risk information informs planning, prioritisation and continuous improvement across the agency.

Fraud and Corruption Control Plan

We are committed to effectively managing the risks of fraud and corruption by implementing strategies to identify, prevent, detect, investigate and report fraudulent or corrupt activity. This approach is supported by policies, procedures and practices that align with the Commonwealth Fraud and Corruption Control Framework and relevant obligations under the PGPA Act and associated rules.

Our Fraud and Corruption Control Plan is recognised as a critical internal tool used to mitigate the act and consequences of the unauthorised use of IHACPA data and financial resources. The plan encourages ethical behaviour using business processes designed to prevent deceptive activities, supported by monitoring controls to detect fraud and deter offending behaviour[1]. It also sets out our approach to the prevention detection, response, reporting and monitoring of fraud and corruption risks. The plan is reviewed annually, or as required.

Compliance

IHACPA has a broad range of compliance obligations, including key statutory obligations set out in the NHR Act, the National Health Reform Agreement, the Aged Care Act, the PGPA Act, and the Public Governance Performance and Accountability Rule 2014 (the PGPA Rule). Other legal and compliance obligations include, work health and safety, privacy, freedom of information, intellectual property, website accessibility and records management.

The CEO manages assurances on IHACPA's compliance obligations through an organised system of controls and special exercises. These include substantive testing, monthly reports, exception notifications, and compliance audits undertaken by an independent internal auditor.

Financial authorisation

As a corporate Australian Government agency, IHACPA adheres to the PGPA Act and the PGPA Rule, and is subject to the Commonwealth Procurement Rules. Line managers have value and purchase class limits in accordance with the delegation of financial authorities that are approved and reviewed regularly by the CEO, as the accountable authority.

[1] Serious or systemic corruption matters to be referred to the National Anti-Corruption Commission, as required.

Audit, Risk and Compliance Committee

Our Audit, Risk and Compliance Committee (ARCC) provides independent advice and assurance to the CEO on IHACPA's accountability and control framework and corporate governance arrangements. Our attitude to risk is determined by the Pricing Authority, CEO, IHACPA Executive Committee and the ARCC. Risks and an outline of associated controls are outlined in **Table 5**.

Table 5: Risk and controls

Risk	Outline of controls
Inadequate governance processes for planning, management, monitoring, and reporting security risks. **Inadequate management of security risks arising from procuring goods and services.**	Memorandum of Understanding (MoU) with the department providing certainty on services to be provided to assist IHACPA in complying with obligations.
	Security advice provided to IHACPA on an as needs basis by the department.
	IHACPA appointed Chief Security Officer.
	Engagement of the department's security risk assessment team to conduct or recommend providers of independent security audits.
	Regular reviews of security, incident management and reporting policies procedures.
	Security reports, plans, assessments, and reviews of security risk tolerances, measures and mitigations.
	IHACPA's Information Security Policy sets out security governance and controls.
	SDMS Security Risk Management Plan.
	Comprehensive and regularly updated procurement and contract management policies and templates.
	Legal advice from Corporate Affairs for more significant matters and external advice for matters assessed as high risk or complex.
	Security policies align with the national Protective Security Policy Framework, Information Security Manual, and Essential 8 to support security governance, information, personnel and physical security.
	Executive Committee oversight of security practices and support risk-based decision making.
	Accountable Authority instructions in place and available to staff.
	Essential compliance and data security training for all staff, contractors and consultants on privacy, fraud and integrity.
	Periodic review of governance arrangements principles and processes, as required.

Risk	Outline of controls
Compromise of official and security classified information.	IHACPA uses the Australian Government Recordkeeping Metadata Standard to mark information on systems that store or communicate sensitive information.
	IHACPA uses Security Caveat Guidelines for protective markings and/or caveats.
	IHACPA staff must apply the need-to-know principle to all OFFICIAL sensitive information.
	Security advice provided to IHACPA on an as needs basis by the department.
	Clear desk policy, paperless culture secure printing, and appropriate commercial containers. Secure bins provided and emptied on a regular basis.
	Screen locking arrangements to protect information when it is not in use.
	Security clearances, suitability and eligibility checks for access to protected network.
	Content Manager secure record management system for storing documents which includes access controls.
	Mandatory Content Manager and security awareness training provided. Education materials on applying correct classification and protective markings.
	Clear delegation of authority to access data.
Deliberate access to data by authorised persons for an unauthorised or malicious purpose. **A data breach occurs (including loss, or intentional/ unintentional misuse of data or information generated or collected by IHACPA).**	Systems, policies and procedures are in place to prevent data breaches and access for unauthorised purposes.
	IHACPA data is independently maintained in accordance with Australian Government requirements.
	Annual Data Governance assurance audits conducted.
	All data stored on IHACPA's SDMS.
	Information Security Manual controls.
	IHACPA Specific IT Security Policy and User Management Policies.
	Consultant Access to IHACPA Protected Data Rules, Data Access and Release Policy and Checklists, which allow for data sharing only on the SDMS, developed, implemented and reviewed.
	The department's security guidelines for working from home.
	IHACPA AI Transparency Statement published.
	IHACPA Data Breach Response Plan, including clear escalation processes to follow in the event of a data breach.
	Clear delegation of authority to access data, including additional security training and police check to access SDMS.

Risk	Outline of controls
	IT Security Awareness training provided to staff, contractors and consultants developed online as part of the IHACPA onboarding process.
	Hospital and aged care data obtained from the department in a de-identified form.
	Regular reminders to staff from IHACPA information security, including the reporting of any suspicious activity.
	Increased testing and monitoring by both IHACPA and the department.
	IHACPA relies on the department's record management system (Content Manager) for core business.
	All data collected by third party consultants held on IHACPA SDMS and not consultant databases.
	Data held by IHACPA is subject to strict controls within IHACPA.
	Policy to prevent potential re-identification.
	A well-established process for data transfer to and from IHACPA. As required, a project specific process is developed and then approved by the CEO.
	IHACPA Emergency Shutdown Process developed.
	Specialised IT security advisor from supplier provides cyber security advice related to the SDMS.
ICT performance failure or loss of critical ICT systems. **ICT systems not suited to IHACPA's business needs.** **Cyber security incidents or attacks.**	Systems, policies and procedures are in place to prevent data breaches, including clear communications surrounding the appropriate transfer of data between hospitals, aged care providers, facilities, consultants, the department and IHACPA.
	The department's ICT system controls include: • MoU with the department outlines ICT arrangements • bi-monthly meetings between IHACPA and the department shared services • range of cyber security controls
	AI Policy adopted.
	Compulsory AI training required for all staff.
	All new staff provided with security awareness training with refresher training sessions provided.
	All staff with access to the SDMS given additional security training.
	SDMS controls and strategies.
	IHACPA Data Breach Response Plan and Business Continuity Management Framework.

Risk	Outline of controls
	IHACPA IT assets assigned to staff must be signed out and returned in compliance with IHACPA policies.
	Staff responsible for IT assets confirm that they are used as per department requirements.
	Cyber Incident Response Plan.
Harm to people.	All IHACPA staff and regular contractors are given passes and must swipe on entry and exit. Access on to IHACPA floor out of hours is not available without a pass.
	Reinforcement of entry doors, door alarms and installation of closed-circuit television at all entry points to the tenancy.
	Visitor management system to sign visitors in and out and print visitor badges.
	Building security guards.
Physical asset resources being made inoperable or inaccessible, or being accessed, used or removed without appropriate authorisation.	All new staff provided with security awareness training, with refresher training sessions provided.
	All IHACPA physical IT assets secured in compliance with IHACPA's asset management policy.
	IHACPA IT assets assigned to staff must be signed out and returned in compliance with IHACPA policies.
	IT asset register maintained.
	General asset register maintained by the Chief Financial Officer (CFO).
	Keys located in a secure location and the number of people authorised are kept to a minimum.
	Secure server room.
The misuse or unauthorised use of Commonwealth resources throughout a staff member's engagement or employment stages and on cessation.	Procedures and systems in place to ensure that all personnel are eligible and suitable to access government resources.
	The department is responsible for managing staff under a shared services MoU.
	IHACPA's contracts for services require the service provider to comply with the Protective Security Policy Framework insofar as it applies to them.
	Obtaining and dealing with police check policy.
	Recruitment processes requiring reference checks, including qualification checks.
	Related policies and obligations, including APS values and PS Act obligations for employees and recruitment approval processes.

Risk	Outline of controls
	Onboarding procedures and probationary periods.
	All new staff provided with security, integrity and fraud awareness training with refresher training sessions provided.
	Identified and recorded positions that require a security clearance and the level of clearance required.
	IHACPA's Information Security and Incident Management Process.

Data Governance Steering Committee

The Data Governance Steering Committee (DGSC) is an internal committee established to:

- oversee the implementation of our data management and information security policies and processes
- provide ongoing oversight of our risk pertaining to data
- identify and support risk mitigation strategies pertaining to data
- provide advice to the CEO in managing data management responsibilities.

The DGSC is chaired by the CEO, and membership comprises the Executive Committee and the Directors of Infrastructure, Hospital Costing, Data Acquisition and Pricing.

Business Continuity Management Framework

Through the Business Continuity Management (BCM) Framework, we ensure that disruptions to our operations have minimal impact on business functions and processes.

A BCM approach to preventing, responding to, and recovering from disruptions assists IHACPA in meeting our objectives and stakeholder needs. It also forms a critical part of our risk management strategy.

Risk culture and training

IHACPA supports a positive risk culture through ongoing communication and capability-building initiatives, including:

- promoting openness, regular discussion and early escalation of risks
- providing targeted risk management training to ensure staff understand their responsibilities
- mandatory fraud, security and integrity awareness training modules
- a dedicated intranet page, toolkits, events and regular communication to raise awareness about updates and changes to risk management.

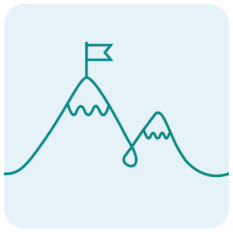
5. Performance

IHACPA's strategic goals and performance measures are outlined below.

5.1 Strategic goals

In August 2025, we published our first Strategic Plan. The Strategic Plan 2025–30 was developed by our staff and sets out our vision for the future and the steps we are taking to get there. IHACPA is committed to investing in our people, strengthening relationships across the care economy and ensuring our evidence base is robust and effective.

IHACPA's goals as outlined in the Strategic Plan 2025–30 include:



Organisational excellence

IHACPA strives for excellence in everything we do. We are a diverse, dynamic and resilient workforce with operational systems that enable us to deliver our best. IHACPA is committed to working together to foster a workplace that is agile, encourages innovation and where we always act with integrity.

Efficient, equitable and quality care systems

Our work promotes efficiency in the costs of health and aged care services. We also have a responsibility to ensure our work promotes equitable access to high-quality care, including meeting Australian Government commitments under the National Agreement on Closing the Gap. Ensuring equitable access to high-quality care requires an integrated approach that encourages the allocation of resources to where they are most needed.

A robust and adaptive evidence base

IHACPA's work is guided by the principle that our decisions are based on the best available information and data. We ensure data used in our work meets our quality standards through our robust costing and classification systems, which underpin collections. This provides maximum transparency about how we make decisions.

A partner of choice

IHACPA is an independent agency that can only achieve its goals through strong partnerships. Working with community, industry, research and government leaders provides unparalleled insights. These insights strengthen our understanding how clinical care and care practice, operational systems or policy impact our evidence base and analysis. We strive to be at the forefront of classification development, data collection and pricing methodologies that promote efficiency and sustainability of Australia's care systems. As a trusted partner, IHACPA has the capability to share impartial insights and trends to shape policy.

Over the next 5 years, IHACPA will aim to achieve these goals through the development and implementation of key initiatives.

5.2 Performance measures

Section 16EA of the *Public Governance, Performance and Accountability Rule 2014* (the PGPA Rule) stipulates the requirements around performance measures for Australian Government entities. They are considered to meet the requirements of the PGPA Rule if, in the context of the entity's purposes or key activities, they:

a. relate directly to one or more of those purposes or key activities
b. use sources of information and methodologies that are reliable and verifiable
c. provide an unbiased basis for the measurement and assessment of the entity's performance
d. where reasonably practicable, comprise a mix of qualitative and quantitative measures
e. include measures of the entity's outputs, efficiency and effectiveness if those things are appropriate measures of the entity's performance
f. provide a basis for an assessment of the entity's performance over time.

The IHACPA Corporate Plan 2026–27 to 2029–30 defines our strategic objectives and associated key deliverables. Our performance over the reporting period will be assessable against the performance measures detailed in **Table 6**, as per the requirements under the PGPA Rule.

Table 6: Performance measures

Performance measures						
Objective	**Measure**	**Timeframe**	**2026–27 Target**	**2027–28 Target**	**2028-29 Target**	**2029–30 Target**
Strengthen organisational performance through fostering an inclusive culture, building partnerships, and encouraging innovation to drive evidence-based decision-making to deliver strategic outcomes.	Strengthening organisational culture by promoting high staff engagement, a positive and inclusive work environment and empowering staff to collaborate effectively.	Annual	☑	☑	☑	☑
	Building workforce capability through education opportunities, professional development and leadership programs.	Annual	☑	☑	☑	☑
	Develop strong partnerships through conferences, summits and collaborative initiatives to drive shared outcomes and knowledge sharing.	Annual	☑	☑	☑	☑
	Foster innovation and continuous improvement by strengthening data quality, data integrity, data security and the use of robust methodologies.	Annual	☑	☑	☑	☑
	Analyse activity and cost data across public hospital and aged care services to inform a robust, evidence-based methodology for reviewing and strengthening pricing models.	Annual	☑	☑	☑	☑
	Provide the Australian Government and state and territory governments with IHACPA's work program alongside the associated data requirements to support effective planning and transparent decision-making.	Annual	☑	☑	☑	☑
Fulfill the reporting and performance requirements under the PGPA Rule.	Maintain ongoing engagement with the Australian Government, state and territory governments, other government agencies and key stakeholders to inform decisions and deliverables that influence IHACPA's operating environment.	Ongoing	☑	☑	☑	☑
	Prepare and publish an annual report that provides transparent insight into IHACPA's delivery of reports, documents and other deliverables aligned with its purpose and key activities.	Annual	☑	☑	☑	☑

6. Closing the Gap

In 2020, all Australian governments recognised the need to address the systemic inequities experienced by Aboriginal and Torres Strait Islander peoples. This was formalised through signing the National Agreement on Closing the Gap with the Coalition of Aboriginal and Torres Strait Islander Peak Organisations.

IHACPA is committed to improving the outcomes for Aboriginal and Torres Strait Islander peoples and continues to support the implementation of the Agreements Priority Reforms.

Priority reform 1: Formal partnerships and shared decision making

Clause B53(a)(ii) of the Addendum to the National Health Reform Agreement (NHRA) 2026–31 states that IHACPA must ensure decision-making and governance arrangements include Aboriginal and Torres Strait Islander representation. This is achieved through actions, including establishing formal partnership arrangements with Aboriginal and Torres Strait Islander people and the Aboriginal and Torres Strait Islander health sector.

Since 2025, IHACPA has:

- established the Aged Care Network, which allows IHACPA to seek targeted expert input and feedback on a broad range of aged care matters, with membership including several Aboriginal and Torres Strait Islander organisations
- engaged 2 external First Nations advisors and consulted with First Nations staff to inform the development of IHACPA's first Strategic Plan
- developed the Stakeholder Engagement Plan 2025–27. This highlights the importance of strengthening engagement with Aboriginal and Torres Strait Islander stakeholders as a core priority and reflects our commitment to fostering sustainable and inclusive practices through a dedicated First Nations Engagement Strategy. This was co-designed with First Nations stakeholders.

Over the next 4-years, IHACPA will:

- undertake the National Aboriginal and Torres Strait Islander Flexible Aged Care Program (NATSIFACP) model assessment. This program funds flexible, cultural safe aged care that enables older Aboriginal and Torres Strait Islander people to stay close to their family, country, home and community
- continue to build stronger partnerships with First Nations stakeholders through formal collaborations, shared initiatives and representation in advisory processes.

Priority reform 2: Building the community-controlled sector

Clause B83 of the addendum states that IHACPA will work in formal partnership with Aboriginal and Torres Strait Islander organisations to identify and progress priority funding reforms. This includes:

- reviewing funding models to better support and incentivise Aboriginal Community Controlled Health Organisations delivering in-scope hospital services.

During the next 4-years, IHACPA will:

- investigate formal partnership arrangements with Aboriginal and Torres Strait Islander people and the Aboriginal and Torres Strait Islander Health Sector.

Priority reform 3: Transforming government organisations

Since 2020, IHACPA has:

- selected Sydney language (Dharug or Eora) names for the meeting rooms in our Sydney office to recognise First Nations people and reflect the Sydney Basin. The names were selected following a cultural awareness and map making session led by Aboriginal educator Uncle Jimmy Smith
- engaged in learning programs, including The Cultural Capability Hub to strengthen Aboriginal and Torres Strait Islander cultural capability
- developed a First Nations Graphic Artwork Style Guide to support the respectful and appropriate use of First Nations artwork across the agency. Bespoke artwork by First Nations artist Chern'ee Sutton is used across internal and external publications, digital assets, Acknowledgement of Country materials and a framed artwork story mounted in our Sydney office.

Our Human Capital Plan indicates that First Nations employment stands at 2.4% of the total workforce at IHACPA.

During the next 4-years, IHACPA will:

- partner with First Nations employment agencies to extend the reach of recruitment advertising
- continue to celebrate Reconciliation Week and NAIDOC Week by holding events annually
- continue efforts to have Aboriginal and Torres Strait Islander peoples' representation on IHACPA's Pricing Authority, advisory committees and working groups.

Priority reform 4: Shared access to data and information at a regional level

Clause B43 and clause B53b of the Addendum state that IHACPA must work in formal partnership with the Aboriginal and Torres Strait Islander sector. This is to strengthen adherence to principles of Aboriginal and Torres Strait Islander data governance and to support Aboriginal and Torres Strait Islander data sovereignty. The Framework for Governance of Indigenous Data provides guidance to the Australian Public Service in improving governance practices for data related to Aboriginal and Torres Strait Islander people. The framework is an important step towards delivering on commitments made through the National Agreement on Closing the Gap.

It aims to help governments implement data governance policies to work more effectively with Aboriginal and Torres Strait Islander people to support greater access to data and information at a regional level.

In November 2025, IHACPA released the Pricing for Australian Public Hospital Services for First Nations peoples – Fact sheet, which outlines our role under the NHRA in relation to public hospital services for First Nations peoples.

During the next 4-years, IHACPA will:

- review and update policies and pricing frameworks, including the Data Access and Release Policy, Data Governance Policy and Data Management Policy. This will ensure that current data governance practices align with the Framework for Governance of Indigenous Data.

Independent Health and Aged Care Pricing Authority

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