



**Administrator**  
National Health  
Funding Pool

# Three Year Data Plan

2017-18 to 2019-20

June 2017

© Commonwealth of Australia 2016

This work is copyright. You may reproduce the whole or part of this work in unaltered form for your own personal use or, if you are part of an organisation, for internal use within your organisation, but only if you or your organisation do not use the reproduction for any commercial purpose and retain this copyright notice and all disclaimer notices as part of that reproduction. Apart from rights to use as permitted by the *Copyright Act 1968* or allowed by this copyright notice, all other rights are reserved and you are not allowed to reproduce the whole or any part of this work in any way (electronic or otherwise) without first being given the specific written permission from the Administrator of the National Health Funding Pool to do so. Requests and inquiries concerning reproduction and rights are to be sent to the Administrator of the National Health Funding Pool, GPO Box 1252, Canberra ACT 2601, or via email to [nhfa.administrator@nhfa.gov.au](mailto:nhfa.administrator@nhfa.gov.au)

**CONTENTS**

- 1. PREFACE ..... 1**
- 2. OVERVIEW ..... 2**
  - 2.1 Related documents ..... 3
- 3. BACKGROUND ..... 4**
  - 3.1 Legislative basis ..... 4
  - 3.2 Role of the Administrator ..... 4
  - 3.3 Ensuring transparency and accountability ..... 5
  - 3.4 Consultation ..... 7
  - 3.5 Machinery of government implications ..... 7
- 4. PRIVACY AND SECURITY ..... 8**
  - 4.1 Data privacy ..... 8
  - 4.2 Data security ..... 8
- 5. COMPLIANCE ..... 9**
  - 5.1 Administrator’s compliance ..... 9
  - 5.2 Jurisdictional compliance ..... 10
- 6. DATA REQUIREMENTS ..... 11**
  - 6.1 Provision of service estimates ..... 11
    - 6.1.1 Data processes/timelines ..... 12
    - 6.1.2 Data components ..... 12
    - 6.1.3 Data specifications ..... 14
    - 6.1.4 Service estimates data submission ..... 14
  - 6.2 Reconciliation requirements ..... 14
    - 6.2.1 Cross-border data sharing ..... 15
    - 6.2.2 Data processes/timelines ..... 16
    - 6.2.3 Data sources ..... 16
    - 6.2.4 Data components ..... 16
    - 6.2.5 Data specifications ..... 18
    - 6.2.6 Hospital activity data submission ..... 19
  - 6.3 Monthly reporting requirements ..... 20
    - 6.3.1 Data processes/timelines ..... 20
    - 6.3.2 Data sources ..... 21
    - 6.3.3 Data components ..... 22
    - 6.3.4 Data specifications ..... 24
    - 6.3.5 Monthly reports data submission ..... 24
- Appendix A: Data collections utilised by the Administrator and IHPA ..... 25
- Appendix B: Timeline for data provision ..... 30
- Appendix C: Reconciliation data requirements ..... 31
- Appendix D: Monthly reporting requirements–legislative alignment ..... 33
- Appendix E: Other public hospital services ..... 35

## Acronyms and abbreviations

Term	Description
ABF	Activity Based Funding
Administrator	Administrator of the National Health Funding Pool
AIHW	Australian Institute of Health and Welfare
CFO	Chief Financial Officer
COAG	Council of Australian Governments
DHS	Commonwealth Department of Human Services
DoH	Commonwealth Department of Health
DSS	Data Set Specification
EDW	Enterprise Data Warehouse
Funding Pool	National Health Funding Pool
HSD	Highly Specialised Drugs (claiming program)
ICU	Intensive Care Unit
IHPA	Independent Hospital Pricing Authority
LHN	Local Hospital Network
MBS	Medical Benefits Schedule
NEC	National Efficient Cost
NEP	National Efficient Price
NHFB	National Health Funding Body
NHPA	National Health Performance Authority
NMDS	National Minimum Data Sets
NWAU	National Weighted Activity Unit
PBS	Pharmaceutical Benefits Scheme
PIN	Personal Identification Number
SPP	Specific Purpose Payment
The Agreement	National Health Reform Agreement
TTR	Teaching, Training and Research

# 1. Preface

This document comprises the fifth Administrator's rolling Three Year Data Plan (Data Plan), covering the years 2017-18 to 2019-20, as required by the National Health Reform Agreement (the Agreement). For this rolling update, the National Health Funding Body (NHFB) has again this year (on my behalf) collaborated with the Independent Hospital Pricing Authority (IHPA) to standardise the plans and data requirements of each agency.

The objectives of the Data Plan are to:

- communicate my data requirements over the three years, 2017-18 to 2019-20, in accordance with clause B88 of the Agreement
- describe the mechanisms and timelines for submission of these data from jurisdictions
- advise how these data will be used by me in undertaking the duties required by the *National Health Reform Act 2011* and the Agreement.

The Data Plan is my determination of the minimum level of data required from jurisdictions in order to calculate the Commonwealth's contribution to funding public hospital services, conduct reconciliation activities and ensure national comparability.

While the 2017-18 to 2019-20 Data Plan is an update from 2016-17 to 2018-19 Data Plan with no significant amendment, I am mindful of the impact the Heads of Agreement signed on the 1 April 2016 may have on the Data Plan. A new model for funding public hospitals will be in place from 1 July 2017 and additional data requirements arising from the agreed and signed Addendum to the National Health Reform Agreement may need to be included in the Data Plan. If required, these changes will be incorporated into an out-of-session amended Data Plan to COAG Health Council.

The privacy, secrecy and security of all data provided by jurisdictions continue to be of particular importance to me. Systems and processes used for collection, storage and reporting have been designed to ensure security of information. Where data may be considered 'personal information' within the meaning of the *Privacy Act 1988*, additional measures have been adopted to ensure that its collection and use are in accordance with the Australian Privacy Principles in the *Privacy Act 1988* and with the secrecy and patient confidentiality provisions in the *National Health Reform Act 2011* and other statutory protections.

I will continue to liaise with jurisdictions to ensure that the processes surrounding the collection and use of data for the purposes of administering the National Health Funding Pool are as rigorous and transparent as possible. I would like to again extend my thanks to all jurisdictions for their involvement in the development of this plan and associated materials.

Additional information regarding the processes for which these data are requested is available from my website at [www.publichospitalfunding.gov.au](http://www.publichospitalfunding.gov.au). I encourage you to review this information as you consider the Data Plan.



Mr Peter Achterstraat AM  
Administrator  
National Health Funding Pool

## 2. Overview

This Data Plan sets out the Administrator’s rolling Three Year Data Plan, covering the period 2017-18 to 2019-20. The Data Plan has been harmonised with the IHPA’s Data Plan to provide a standard document structure and appendix listing.

The supply of the data outlined in this Data Plan is required under Clauses A8, B71-72 and B85 of the National Health Reform Agreement (the Agreement), with details of the Commonwealth and state and territory compliance to be reported six monthly in line with Clause B102.

The Administrator will make all non-identifiable aggregated and patient level data collected under the Data Plan available to jurisdictions based on patients’ place of residence, where such release is legally permitted.

The Data Plan is comprised of six sections and five appendices (Table 1).

*Table 1: Data Plan document structure*

Document Section	Content
Section 3	Describes the background to the development of the Data Plan, including the objectives of the plan and the consultation and development processes in place.
Section 4	Provides an overview of security and privacy requirements together with an outline of protections surrounding the data.
Section 5	Indicates how the Data Plan conforms to the compliance principles of the Agreement.
Section 6	Covers the specific data requirements of the Administrator. This section identifies the data sources and major data components to be used to support data analysis and reporting in the period covered by the Data Plan.
Appendix A	Outlines the common datasets utilised by the Administrator and IHPA.
Appendix B	Provides a timeline of required data submissions.
Appendix C	Lists the data sets required by the Administrator for the purposes of reconciliation. This is the same data as supplied to IHPA.
Appendix D	Shows the alignment of the tables used in the Administrator’s monthly reporting to section 240 of the <i>National Health Reform Act 2011</i> .
Appendix E	Describes data reporting requirements for ‘Other hospital services’.

## 2.1 Related documents

This plan is supported by a number of other policy and operational documents relating to the work of the Administrator, as depicted in the diagram below. These documents can be accessed from:

[www.publichospitalfunding.gov.au/publications/operational-documents](http://www.publichospitalfunding.gov.au/publications/operational-documents).

Figure 1: Three Year Data Plan supporting documents

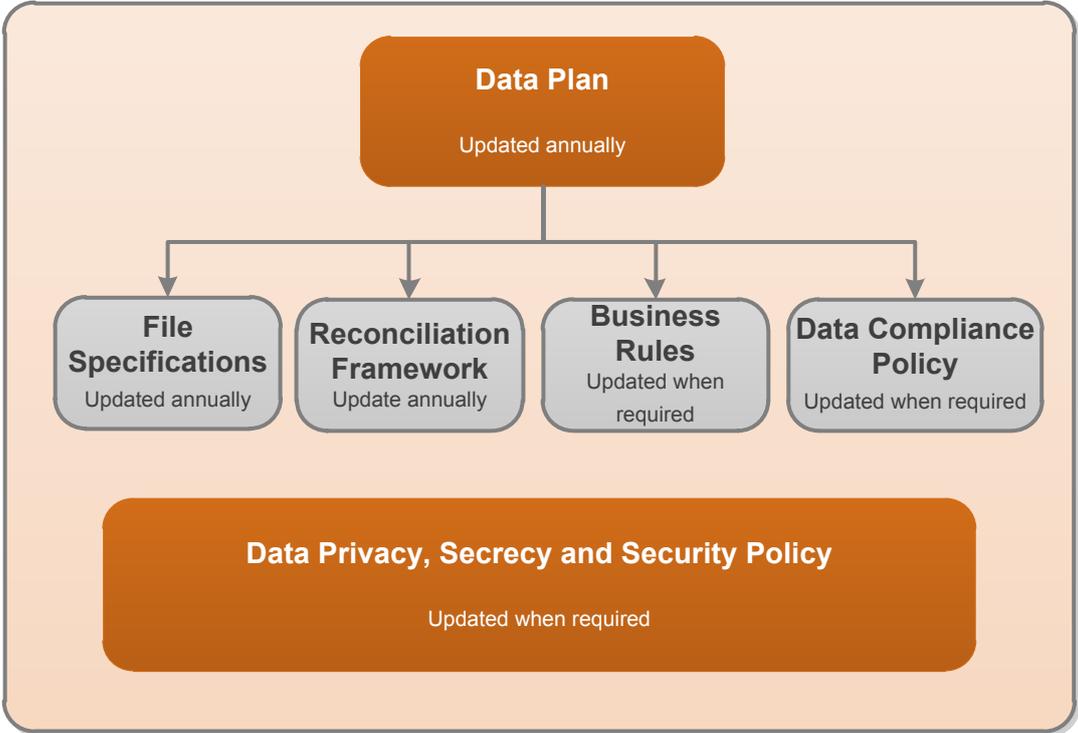


Table 2: Related documents

Document	Content
File Specifications	These spreadsheets provide detailed technical information for the submission of data to the Administrator, including data items, position and length.
Reconciliation Framework	Reconciliation and adjustment requirements and guidelines for those public hospital functions funded by the Commonwealth on an activity basis. Initial transfer of funds is based on estimated activity and is subsequently reconciled based on actual service delivery.
Business Rules	Rules for determining hospital services eligible for National Health Reform Commonwealth activity based funding
Data Compliance Policy	Outlines the Administrator's policy on jurisdictional data compliance.
Data Privacy, Secrecy and Security Policy	Documents the Administrator's data privacy, secrecy and security policies and protocols relating to the collection, use, storage, disclosure, and destruction of data used by the Administrator in undertaking his role.

### 3. Background

The Agreement put in place the transparent funding of public hospitals based on services delivered and the efficient cost of delivering those services.

#### 3.1 Legislative basis

The role and functions of the Administrator are set out in the *National Health Reform Act 2011* and associated state and territory health reform legislation<sup>1</sup>.

#### 3.2 Role of the Administrator

The Administrator is required to:

- Calculate and advise the Commonwealth Treasurer of the Commonwealth contribution to public hospital funding in each state and territory (s238 of the Act).
- Oversee the payment of Commonwealth hospital funding into State Pool Accounts (s238 of the Act).
- Make payments from the each State Pool Account, in accordance with the directions of the state or territory concerned (common provisions of the National Health Funding Pool legislation in each state and territory).
- Monitor state and territory payments into each State Pool Account (common provisions of the National Health Funding Pool legislation in each state and territory).
- Reconcile estimated and actual hospital services and adjust Commonwealth payments to hospitals (s238 of the Act).
- Undertake funding integrity analysis to identify and report on public hospital services that received both Commonwealth national health reform funding and funding through other Commonwealth programs (Clause A6 of the Agreement).
- Report publicly on the national health reform funding and payments (s240 of the Act).

From 1 July 2012, the Administrator commenced making payments to Local Hospital Networks (LHNs) for Activity Based Funding (ABF) services in accordance with the nationally consistent ABF framework for admitted services, emergency department services and non-admitted patient services (clause A32c, the Agreement). This framework was extended to include sub-acute admitted and admitted mental health services from 1 July 2013 (clause A33c, the Agreement).

Block funding is provided to states and territories where the requirements of activity based funding are not able to be satisfied.

The following categories of services were Block funded in 2016-17 and will continue to be Block funded in 2017-18:

- small rural hospitals
- teaching, training and research
- non-admitted mental health services and
- other non-admitted services<sup>2</sup>.

---

<sup>1</sup> A list of the state and territory legislation containing the common provisions can be found on page s 6-7 of the Administrator's National Health Funding Pool Annual Report 2015-16 located at [nhfb.gov.au/publications](http://nhfb.gov.au/publications).

<sup>2</sup> Under Clause 17 of the NHRA, IHPA has determined a list of services (the 'A17 List') which IHPA is satisfied were provided by a particular hospital in 2010. These services are eligible for Commonwealth funding at the Local Hospital Network indicated in the List at Appendix A of the *National Efficient Price Determination 2017-18*.

Both Commonwealth and state and territory payments are made prospectively, based on the estimated quantum of activity advised by states and territories and reflected in the Service Agreements negotiated between states and territories and their LHNs.

These prospective payments are followed by the reconciliation of actual activity to estimated activity. The hospital activity data is provided at patient and aggregate level. For the most accurate calculation of the Commonwealth ABF contribution, it is essential that reconciliation be performed using patient level activity data. It is only at this level that it is possible to apply payment adjustments such as private patient adjustments, loadings for Indigenous patients, remoteness, ICU hours, paediatric, specialist psychiatric, and radiotherapy and dialysis adjustments as specified by the IHPA Pricing Framework.

In addition to the reconciliation requirements, clauses A6 and A7 of the Agreement details that the Commonwealth will not fund patient services if the same service, or any part of the same service, is funded through Medicare Benefits Schedule (MBS), Pharmaceutical Benefits Scheme (PBS) or any other Commonwealth program. Consequently, state and territory patient level hospital activity data is compared to other Commonwealth health datasets. Hospital services that have received Commonwealth NHR funding and are identified as to have potentially received funding through MBS or PBS (matches) are reviewed to determine whether they remain eligible for Commonwealth funding.

To undertake the reconciliation and matching functions for LHNs that receive Commonwealth NHR funding, the Administrator utilises IHPA data specification structure and only details the individual metadata for the Administrator unique Submission B data elements.

The hospital activity data is provided through a data portal. The portal accepts and verifies data submissions against the requested data specifications.

The role of the Administrator is to publicly report on Commonwealth and state and territory funding under national health reform arrangements. This is done through monthly and annual reporting contributes to the transparency of hospital funding.

### **3.3 Ensuring transparency and accountability**

As part of the Agreement, all parties have agreed to increased transparency in the Australian health care system. The Administrator is required by Division 2 – Financial management and reporting of the Act and B65 –B68 of the Agreement to undertake a range of public reporting. The reporting requirements are summarised in Table 3.

In addition to the regulated reporting the Administrator can under section 245 of the Act provide information generally to a jurisdictional Minister in relation to any information requested by that Minister and information in accordance with any direction given by COAG.<sup>3</sup>

---

<sup>3</sup> This may incorporate cost-related analytics as part of the Administrator's funding integrity analysis, as per the AHMAC (26 May 2016) and NHIPPC (28 April 2016) decision that 'the NHFB may utilise the linked MBS, PBS and Hospital data for their own costing purposes, within their current remit and can answer specific cost-related policy questions.'

Table 3: Administrator's information and reporting requirements

Information and reporting requirement	Frequency
<p><i>Calculation of Commonwealth contribution</i></p> <p>This will include the calculations that the Administrator has advised to the Commonwealth Treasurer based on state and territory, Commonwealth and IHPA advice. States and territories are supplied with a copy of the advice provided to the Commonwealth Treasurer.</p>	As required
<p><i>Basis for Commonwealth and State/Territory contribution</i></p> <p>The Administrator reports the:</p> <ul style="list-style-type: none"> <li>• basis on which Commonwealth and state and territory funding flows into the Funding Pool and State Managed Funds</li> <li>• basis on which Funding Pool and State Managed Fund payments have been made.</li> </ul>	Monthly
<p><i>Funding and payments</i></p> <p>The Administrator reports the:</p> <ul style="list-style-type: none"> <li>• funding received into the Funding Pool from the Commonwealth and from states and territories</li> <li>• payments made from the Funding Pool to LHNs, State Managed Funds or other organisations</li> <li>• payments made from State Managed Funds to LHNs and other organisations</li> <li>• payments made by the Commonwealth through the Funding Pool to states and territories for the provision of public health services and top-up payments<sup>4</sup>.</li> </ul>	Monthly
<p><i>Volume of Public Hospital Services</i></p> <p>The Administrator reports the:</p> <ul style="list-style-type: none"> <li>• volume of public hospital services funded to and provided by LHNs in accordance with the national system of ABF, including a running yearly total</li> <li>• delivery of other public hospital functions funded by the Funding Pool and State Managed Fund, including a running yearly total.</li> </ul> <p>This includes reporting the number of NWAU by service category and LHN and other public hospital services provided by each jurisdiction.</p>	Monthly
<p><i>Annual Report</i></p> <p>The Administrator publishes an Annual Report that includes legislated national health reform disclosures, comprising a combined Financial Statement for the National Health Funding Pool and a Financial Statement for each State and Territory Pool Account. The Annual Report is provided to state and territory Health Ministers for tabling in each respective Parliament. State Pool Accounts are audited by the Auditor-General of the respective state or territory.</p> <p>The Administrator's Annual Reports are available from:  <a href="http://www.publichospitalfunding.gov.au/publications/annual-reports">http://www.publichospitalfunding.gov.au/publications/annual-reports</a></p>	Annually

<sup>4</sup> This function will be reviewed subject to the agreed and signed Addendum to the Heads of Agreement.

Information and reporting requirement	Frequency
<p><i>Service Agreements</i></p> <p>States and territories are required to provide to the Administrator a copy of the Service Agreement with each LHN for each relevant financial year, once agreed.</p> <p>These Service Agreements are to be publicly released by states and territories within fourteen calendar days of finalisation.</p>	At least annually
<p><i>Data Compliance Report</i></p> <p>The Administrator publishes details of jurisdictional data compliance against the requirements set out in the Data Plan.</p>	Quarterly

### 3.4 Consultation

The Administrator has established advisory committees to ensure that jurisdictions are consulted on a range of issues, including data collection requirements.

The Administrator's **Jurisdictional Advisory Committee (JAC)** is a committee of senior representatives from states and territories and relevant Commonwealth departments and agencies. The JAC considers strategic issues associated with those components of national health reform where the Administrator has responsibility.

The **Chief Finance Officers/Reconciliation Advisory Group (CFO/RAG) Committee** considers:

- i. material relating to service estimates and monthly reporting
- ii. material relating to hospital service reconciliation and data matching requirements as outlined in the Agreement.

Membership of the CFO/RAG Committee includes Chief Financial Officers and/or their representatives from each jurisdiction and representatives from each jurisdiction who have expertise in data and processes related to hospital activity data.

### 3.5 Machinery of government implications

The following information outlines the impact of announced machinery of government impacts on the Data Plans of the national agencies.

The Australian Government had considered ceasing ABF from 1 July 2017. However, at the Council of Australian Governments (COAG) meeting in April 2016, First Ministers agreed a Heads of Agreement for public hospital funding from 1 July 2017 to 30 June 2020 ahead of consideration of longer-term arrangements. This will see a continuation of ABF for public hospital services, with growth in Commonwealth funding capped at 6.5 per cent a year from 1 July 2017.

The HoA reforms are to be documented in an Addendum to the Agreement, to be signed by COAG prior to 30 June 2017. Upon agreement to the Addendum, this Data Plan will be amended to outline the impact to the Administrator's functions and associated data use requirements.

In line with the ongoing role for the Administrator and the NHFB this Data Plan has been aligned with the Data Plans of the IHPA and the AIHW (which has assumed the data related roles and functions of the National Health Performance Authority which was defunded in 2015-16).

## 4. Privacy and Security

Under the Agreement the Administrator is tasked with collecting, securing and using information in accordance with relevant legislation and the Australian Privacy Principles, ethical guidelines and practices.

### 4.1 Data privacy

The privacy of citizens' personal information is of paramount importance. Personal information is treated in accordance with the Australian Privacy Principles specified in the *Privacy Act 1988* and *Privacy Amendment (Enhancing Privacy Protection) Act 2012*, the secrecy and patient confidentiality provisions in the *National Health Reform Act 2011* and other statutory protections.

The *National Health Reform Act 2011* provides protections for personal information and makes provisions to ensure patient confidentiality. In addition, all staff of the NHFB are employed under the *Public Service Act 1999*, and are subject to the APS Code of Conduct. Any contractors or persons assisting the NHFB in its work are also required to adhere to all privacy policies and procedures.

Any collection of personal information will only be undertaken for a specified purpose and will be undertaken in strict compliance with the Australian Privacy Principles.

The Administrator has developed protocols for the treatment of confidential and highly sensitive data that will ensure appropriate protection for patient, hospital, LHN and jurisdictional data received by the Administrator. These are documented in the Administrator's *Data Privacy, Secrecy and Security Policy* available from:

[www.publichospitalfunding.gov.au/publications/operational-documents](http://www.publichospitalfunding.gov.au/publications/operational-documents)

### 4.2 Data security

The Administrator is committed to the security of patient level activity data submitted by jurisdictions. For the reconciliation process, the Administrator utilises the Electronic Data Warehouse (EDW) managed by the Commonwealth Department of Health (DoH) which provides a secure facility for the submission, storage and dissemination of data. The EDW includes the following features:

- a secure online system for jurisdictions to submit data to the Administrator.
- secure control management for the sharing of data between the Administrator and the organisations specified in the clause B97 of the Agreement.
- a physically secure location with disaster recovery capabilities.
- compliance with relevant Australian Government security policies, including the Australian Government Protective Security Policy Framework and the Australian Government Information Security Manual.

Additional information is available in the Administrator's *Data Privacy, Secrecy and Security Policy*, available from:

[www.publichospitalfunding.gov.au/publications/operational-documents](http://www.publichospitalfunding.gov.au/publications/operational-documents)

## 5. Compliance

### 5.1 Administrator's compliance

Clause B86 of the Agreement sets out the specific obligations of the National Health Reform agencies in determining the requirements of their data plans. The table below demonstrates how this plan complies with each requirement.

Table 4 - Agreement clause B86 compliance matrix

Clause	Compliance principles		Compliance mechanisms
B86a	Seek to meet data requirements through existing national data collections, where practical	➔	National Minimum Data Set (NMDS) and Data Set Specifications (DSS) have been used where possible, and additional data items have been included only where necessary.
B86b	Conform with national data development principles and wherever practical use existing data development governance processes and structures, except where to do so would compromise the performance of statutory functions	➔	<ul style="list-style-type: none"> <li>- Use of existing national data specifications and collections wherever possible using IHPA data validation rules.</li> <li>- Collaboration with state and territory representatives to develop specifications and collections that are consistent with national standards.</li> </ul>
B86c	Allow for a reasonable, clearly defined timeframe to incorporate standardised data collection methods across all jurisdictions	➔	The Administrator consults with jurisdictions to ensure that timeframes are reasonable, clear and aligned with the requirements of the Agreement.
B86d	Support the concept of 'single provision, multiple use' of information to maximise efficiency of data provision and validation where practical, in accordance with privacy requirements	➔	The EDW is used to maximise the efficiency of data provision and validation and to encourage appropriate data sharing between National Health Reform bodies, where possible, given the privacy and secrecy legislation in place.
B86e	Balance the national benefits of access to the requested data against the impact on jurisdictions providing that data	➔	Jurisdictions will continue to be consulted regarding the impact of proposed data collections.
B86f	Consult with the Commonwealth and states and territories when determining its requirements.	➔	<p>The Administrator has:</p> <ul style="list-style-type: none"> <li>- Established advisory committees that include jurisdictional representation.</li> <li>- Conducted jurisdictional workshops and meetings to seek advice with regard to data requirements.</li> </ul>

## 5.2 Jurisdictional compliance

Under clause B102 of the Agreement the Administrator is required to publish details of jurisdictional compliance with data requirements on a quarterly basis.

The Administrator's *Data Compliance Policy* sets out the Administrator's policy on jurisdictional data compliance and details the process for public reporting on jurisdictional data compliance.

The Administrator's *Data Compliance Policy* is available from:

[www.publichospitalfunding.gov.au/publications/operational-documents](http://www.publichospitalfunding.gov.au/publications/operational-documents)

## 6. Data requirements

The Administrator requires several types of information to perform the functions set out in the *National Health Reform Act 2011* and the Agreement:

- Service category activity estimates for each state and territory and at an LHN level based on projected Service Agreements with LHNs. These data are required in order to calculate and provide a formal forecast of the Commonwealth funding contribution to the Commonwealth Treasurer (see 6.1 – Provision of service estimates).
- Disaggregated unit level activity data from states and territories. These data are required in order to perform reconciliation based on actual levels of activity (see 6.2 – Reconciliation requirements).
- Commonwealth data relating to MBS and PBS services.
- Commonwealth advice of the annual amounts that would have been paid had the former National Healthcare Specific Purpose Payment (SPP) continued.
- Funding, payments and service volumes. These data are required in order to enable monthly reporting of relevant National Health Reform funding transactions (see 6.3 – Monthly Reporting requirements).

Further information on the purpose of data collection, data elements, submission and timing is outlined below.

Wherever possible, the Administrator uses pre-existing classifications and data specifications, with additional data items included only where they are required to meet his obligations as set out in the *National Health Reform Act 2011* and the Agreement.

A timeline is provided at [Appendix B](#) identifying the timing for provision of data by jurisdictions across all three types of data.

The Administrator may need to request the supply of additional ad hoc data if external policy decisions (e.g. hospitals moving from Block to ABF, changed treatment of very long stay patients, introduction for pricing for safety and quality) are implemented after this Data Plan is approved or during the period of this Data Plan.

### 6.1 Provision of service estimates

Section 238(1)(a) of the *National Health Reform Act 2011* requires the Administrator to calculate and advise the Commonwealth Treasurer of the amounts to be paid by the Commonwealth each financial year to each state and territory.

The provision of the data elements outlined in this subsection, along with IHPA's forecast of the NEP and the NEC and any backcasting multiplier/s required, enable the Administrator to calculate and provide a formal forecast of the Commonwealth funding contribution to the Commonwealth Treasurer and each state and territory.

Estimates provided by jurisdictions to the Administrator for calculation of Commonwealth contributions must reflect the format of the actual activity that will be captured and reported by LHNs. This includes the use of patient level and aggregate data and the application of loadings, service events etc.

ABF is calculated by the Administrator on a service category basis (as per clauses A34, A35 and A38<sup>5</sup>). The service categories are as per IHPA's Pricing Frameworks and National Efficient Price Determinations.

This information is necessary to enable the Administrator to forecast the Commonwealth funding contributions to each state and territory by service category as required by clause A36.

The timely provision of complete required information is important to enable calculation of the Commonwealth funding contribution to each state and territory prior to the commencement of the relevant financial year.

### **6.1.1 Data processes/timelines**

The Agreement requires each state and territory to provide the Administrator with the following data elements for each financial year:

- estimated service volumes for the state or territory by service category by 31 March (clause B73)
- confirmed service volumes for the state or territory by service category for each LHN by 31 May (clause B74).

Each required ABF National Weighted Activity Unit (NWAU) component is to be provided to the Administrator as an annual NWAU submission.

The provision of NWAU on this basis is necessary to enable the Administrator to carry out the reconciliation and adjustment process (clauses B59 to B61).

#### **Adjustments**

States and territories may amend service NWAU estimates. Clause B57 of the Agreement anticipates adjustments to Commonwealth National Health Reform funding due to changes in LHN service estimates as documented in Service Agreements.

Any adjustment to Commonwealth National Health Reform funding contributions resulting from a change will be calculated as if the factor giving rise to the change related to the entire financial year. The resultant funding adjustment will be spread evenly over the remaining months of the financial year (with any remainder from rounding applied to the last month). This ensures that the adjustment is fully applied by the final monthly payment of the year.

The framework and mechanism for making adjustments is detailed in Administrator's *Determination 02: Adjustments to Commonwealth Funding under the National Health Reform Agreement*. This determination is available from:

[www.publichospitalfunding.gov.au/publications/operational-documents](http://www.publichospitalfunding.gov.au/publications/operational-documents)

### **6.1.2 Data components**

#### **Activity based funding**

States and territories are required to provide the Administrator with estimated NWAU at the state or territory level and the estimated NWAU for each LHN, by the relevant ABF service category detail for each relevant year.

Each year the Administrator requests ABF service category detail from states and territories on the basis of the categories advised by IHPA.

---

<sup>5</sup> For 2017-18 and later years, the Commonwealth's funding for each ABF service category will be calculated as per clause A34 but replacing the 45 percent rate specified in clauses A34(b) and A34(c) with 50 per cent' (Clause A38). This will be reviewed and amended subject to the agreed and signed Addendum to the National Health Reform Agreement.

IHPA has advised that the service categories for ABF in 2017-18 are:

- acute admitted services
- emergency department services
- non-admitted services
- admitted mental health services
- sub-acute and non-acute admitted services.

### **Block funding**

As per clauses A28 and A29 of the Agreement, IHPA will determine which hospital services are eligible for Block funding based on interactions with states and territories. The Administrator calculates the Commonwealth funding contribution for Block funding using IHPA's NEC determination (clause A30).

IHPA has advised that the service categories for Block funding in 2017-18 are:

- non-admitted mental health services
- small rural hospitals
- teaching, training and research
- other non-admitted services<sup>6</sup>.

### **Public Health Funding**

Public Health funding is paid by the Commonwealth into the National Health Funding Pool, and from there to state and territory health departments for the purposes of population health activities. Clause A45 of the Agreement provides full discretion to states and territories over the application of Public Health funding to the outcomes set out in the Agreement.

Public health funding is calculated by the Commonwealth Treasury and includes amounts for national public health, youth health services and essential vaccines.

Clause A43 notes that the payment for public health activities for future years beyond 2015-16 will be re-considered by the Commonwealth, states and territories<sup>7</sup>.

### **Service Agreements**

Clause B75 of the Agreement requires states and territories to provide to the Administrator a copy of the Service Agreement with each LHN for each financial year, once agreed. These Service Agreements are to be publicly released by states and territories within fourteen calendar days of finalisation (clause D9).

States and territories may amend Service Agreements. The Administrator must be advised within 28 calendar days of any agreed variation and the new Service Agreement publicly released within fourteen calendar days of amendment (clauses B50, B51, B57 and D9).

The NHFB will reconcile the NWAU amounts outlined in Service Agreements for each LHN with the estimates advised by states and territories for Commonwealth payment purposes under clause B74.

---

<sup>6</sup> Under Clause 17 of the NHRA, IHPA has determined a list of services (the 'A17 List') which IHPA is satisfied were provided by a particular hospital in 2010. These services are eligible for Commonwealth funding at the Local Hospital Network indicated in the List at Appendix A of the *National Efficient Price Determination 2017-18*.

<sup>7</sup> Public Health funding will be reviewed subject to the agreed and signed Addendum to the Heads of Agreement.

### 6.1.3 Data specifications

Table 5: Service estimates requirements

Requirement	Source	Data	Purpose	Act section/ Agreement clause
Calculate and advise the Commonwealth Treasurer and states and territories of the amounts to be paid by the Commonwealth each financial year to each state and territory under the Agreement.	IHPA	NEP / NEC Determinations	The NEP will be the price used to determine the Commonwealth contribution for ABF. The NEC and the list of Block funded hospitals will be used to determine the amount of Block funding by service category.	s238(1)(a) A29-A30
		Back-casting multipliers	Used to ensure that changes between years are correctly accounted for and that Commonwealth growth funding is not adversely impacted by changes in the national pricing model over consecutive years.	S238(1)(a) A40
	State / Territory	Estimated weighted service volumes (by service category)	The estimated NWAU will be used to calculate the estimated aggregate funding (for ABF services) to be paid by the Commonwealth to each state and territory.	s238(1)(a) B73
		Confirmed weighted service volumes (by service category by LHN)	The confirmed NWAU will be used to calculate the funding (for ABF services) required to be paid by the Commonwealth to each state and territory. This will be used to calculate the starting point for the twelve equal monthly payments.	s238(1)(a) B74
		Estimated service volumes by LHN	The estimated NWAU by LHN will be used to determine the amount of the Commonwealth contribution to each LHN.	s238(1)(a) B74
		Service Agreement	The Agreement requires a copy of the Service Agreement to be provided to the Administrator once agreed between the state / territory and the LHN.	s238(1)(a) B75

### 6.1.4 Service estimates data submission

The submission of service estimates is via an email to [nhfa.administrator@nhfb.gov.au](mailto:nhfa.administrator@nhfb.gov.au) from a Minister, a delegate of the Minister, a Secretary, Director-General, Chief Executive or equivalent.

## 6.2 Reconciliation requirements

Reconciliation relates to those public hospital functions funded by the Commonwealth on an activity basis (clauses B63 and B64 of the Agreement).

Commonwealth funding to the states and territories in support of ABF services will be based, in the first instance, on estimates of activity levels for the funding period (see 6.1 – Provision of service estimates).

Clauses B59 to B61 of the Agreement require actual activity data to be reconciled with estimated activity data on a six-monthly and annual basis, in arrears and by LHN for each state and territory, in order for Commonwealth payments to be adjusted to reflect the actual level of services provided.

The data elements outlined in this section, together with the estimated activity data provided by states and territories (used as the prospective basis for the Commonwealth contribution), will be used in the reconciliation process.

The data requirements align to the national data development principles (clause B86 of the Agreement) and wherever practical uses existing data sets and structures, except where doing so would compromise the performance of the Administrator's statutory functions.

The Administrator supports the concept of 'single provision, multiple use' of information and works collaboratively with IHPA to advance the implementation of this principle. Activity data are sourced from IHPA data collections where practical. This assists in the development of nationally consistent data collection and validation processes.

Additional information is available from the Administrator's *Reconciliation Framework*, available from:

[www.publichospitalfunding.gov.au/publications/operational-documents](http://www.publichospitalfunding.gov.au/publications/operational-documents)

### **6.2.1 Cross-border data sharing**

Cross-border funding occurs when a resident of one state or territory receives hospital treatment in another state or territory, the 'resident' state or territory compensates the treating or 'provider' state or territory for its share of the cost of that service. This is known as cross-border payment. The Commonwealth funding contribution to the cost of these services is made directly to the 'provider' state or territory.

Clause A88 of the Agreement details that the treatment of cross-border hospital activities will be governed by the following principles:

- the state or territory where a patient would normally reside should meet the cost of services (agreed bilaterally and exclusive of the Commonwealth contribution) where its resident receives hospital treatment in another jurisdiction;
- payment flows (both Commonwealth and state/territory) associated with cross-border services should be administratively simple, and where possible consistent with the broader arrangements of the Agreement;
- the cross-border payment arrangements should not result in any adverse GST distribution effects;
- states and territories recognise their commitment under the Medicare principles which require medical treatment to be prioritised on the basis of clinical need;
- both states and territories should have the opportunity to engage in the setting of cross-border activity estimates and variations, in the context that this would not involve shifting of risk; and
- there should be transparency of cross-border flows.

Given the need for transparency of cross-border flows the Administrator as part of the annual reconciliation process will release actual cross-border patient level data to states and territories, including the calculated NWAU. Each state and territory will receive a cross-border dataset that will include information for all patients are reported to be residents of that state/territory and received public hospital service in another state/territory. This will include the patient level data submitted by state and territories for ABF and Block funded hospitals services.

The Administrator will develop data use and privacy principles with jurisdictions for the treatment of cross-border patient level data by all parties.

The cross-border reconciliation process will be incorporated into the Administrator's Reconciliation Framework.

## 6.2.2 Data processes/timelines

The Agreement requires states and territories to provide the Administrator with the required data elements for each financial year by the following dates:

- Six-monthly period ending 31 December each year, by 31 March the following year (clause B60)
- Annual period ending 30 June each year, by 30 September that year (clause B61).

## 6.2.3 Data sources

States and territories are required to provide patient level activity data regarding actual services delivered for those public hospital functions funded by the Commonwealth on an activity basis.

Clause B94 of the Agreement requires states and territories to provide associated Medicare details to DHS to allow for de-identification of the patient level activity data. These de-identified data will then be provided to the Administrator.

The Commonwealth Department of Health is required to provide de-identified patient level data on MBS claims, PBS items and data related to any other Commonwealth program considered relevant to clause A6 of the Agreement.

The Commonwealth Treasury is required to advise the amounts that would have been paid to states and territories if the former National Healthcare SPP had continued. This is required to enable the calculation of funding guarantees (clauses A67-A79).<sup>8</sup>

The Commonwealth, states and territories have primary responsibility for the integrity of the data provided (clause B95).

The data elements required are detailed in the Administrator's *File Specifications for Data Submission* documents, provided on the Administrator's website at:

[www.publichospitalfunding.gov.au/publications/operational-documents](http://www.publichospitalfunding.gov.au/publications/operational-documents)

## 6.2.4 Data components

For privacy reasons, activity reconciliation will be undertaken by the NHFB using only de-identified data. This applies to the patient level activity data provided by states/territories and the MBS claims data and PBS claims data received from the Commonwealth.

States and territories must submit patient level activity data on hospital services provided in two separate submissions, Submission A and Submission B. Submission A and Submission B relate to the same set of services delivered. Each record includes a common unique identifier (state record identifier), used to link the two datasets for data matching purposes.

**Submission A** includes patient level activity data. These data are validated by the Australian Institute of Health and Welfare (AIHW) Validata portal, using the IHPA data validation rules, and then used by the IHPA and the NHFB. Submission A does not include a Medicare number.

---

<sup>8</sup> The Commonwealth announced as part of the 2014-15 Budget that it would not make the guarantee payments under the Agreement. However the *National Health Reform Act 2011* (section 238) requires the Administrator to calculate and advise the Treasurer the amounts required to be paid by the Commonwealth under the Agreement. The decision of the Commonwealth not to pay a component of those amounts does not change the Administrator's legislative obligations to calculate and advise all payment components. This function will be reviewed subject to the agreed and signed Addendum to the Heads of Agreement.

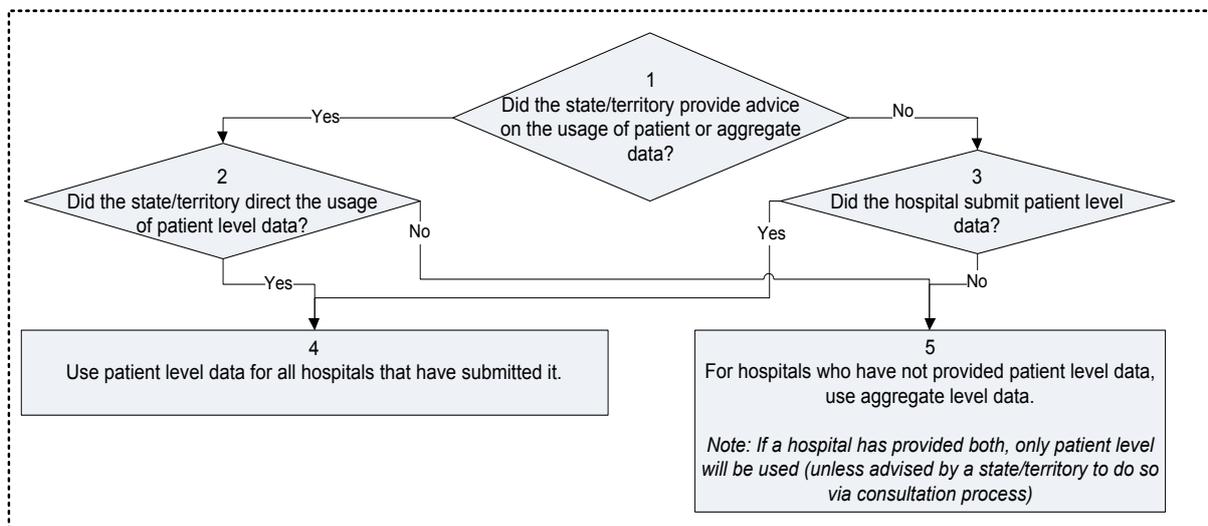
**Submission B** includes a Medicare number and is provided to DHS for the purpose of data de-identification. This means that the Medicare number is replaced with a unique PIN by DHS before being provided to the NHFB.

There may be a separate submission A and B for each service category, depending on IHPA’s specification. Where a patient level data reporting is not possible, an aggregate level data is provided by the state/territory.

Where states and territories have provided both aggregate and patient level data for relevant datasets, the Administrator will consult the relevant state/territory regarding the appropriate dataset to utilise. The Administrator will utilise the patient level data due to the greater level of detail contained in this dataset in comparison to the aggregate data, unless the relevant state/territory advises otherwise.

Where states and territories have not provided patient level data, the aggregate level data will be utilised.

Figure 2: Utilisation of aggregate or patient level data



**Submission A & B reference data**

States and territories must submit a list of ABF hospitals including information about *Health Insurance Act 1973* 19(2) exemption status, pharmaceutical reform agreement status, and HSD drugs claiming status.

**Commonwealth MBS & PBS data**

The Commonwealth Department of Health must provide MBS and PBS claims data and associated reference data including a provider number list, a prescriber number list, and a pharmacy list.

**Commonwealth Specific Purpose Payment (SPP) information**

The Commonwealth Treasury must provide, in relation to each financial year, information to enable the Administrator to undertake the calculation of the Commonwealth payment for each payment component, i.e. Public Health, Activity Based Funding, Block funding, and Funding guarantees<sup>9</sup>:

- SPP amount that would otherwise have been paid to each state and territory;
- Public Health funding amount for each state and territory; and

<sup>9</sup> This function will be reviewed subject to the agreed and signed Addendum to the Heads of Agreement.

These data are to be provided to the NHFB using agreed safe hands protocols.<sup>10</sup>

#### 6.2.4.1 Data validation

##### State and territory data

###### Submission A

The NHFB on behalf of the Administrator has agreed validation rules with the AIHW and the IHPA. These rules are detailed in the technical specifications which support this plan, and are available from the Administrator's website.

###### Submission B

DHS will perform two levels of validation. The first validation relates to the file format. The second validation relates to the Medicare number.

###### *File format validation*

Department of Human Services (DHS) will check that the filename is in the correct format and the file records are of the correct length. If these are not valid, the file will be returned to the state or territory for resubmission.

###### *Medicare number validation*

Once a valid file format has been received, DHS will perform a 'check digit' validation of the Medicare number to ensure it is valid. If the Medicare number is valid, it will be replaced by a PIN and the record will be passed through to the EDW unchanged apart from the Medicare PIN.

If the Medicare number is invalid, the Medicare number will be replaced with zeros and the record will also be passed through to the EDW unchanged apart from the zeros in the Medicare number field.

##### Commonwealth data

In utilising MBS and PBS claims data provided by the DHS, the Administrator acknowledges and accepts the arrangements that the DoH has made regarding receipt of MBS and PBS data from DHS, including associated data validation.

In utilising information provided by the Commonwealth Treasury, the Administrator recognises the special sensitivity of this information and will ensure appropriate secrecy arrangements are maintained in its handling.

#### 6.2.5 Data specifications

*Table 6: Reconciliation data requirements*

Requirement	Source	Data	Purpose	Act section/ Agreement clause
Conduct reconciliation to determine the actual volume for services provided by LHNs for Commonwealth payment purposes.	Cwlth DoH	MBS claims data	To determine the level of eligible services that will attract a Commonwealth contribution.	s238(1)(a)
		PBS claims data		A6-A7
		Provider number list: Provider number Not in a GP role (Yes/No)		S238(1)(a)
		Prescriber number list		S238(1)(a)

<sup>10</sup> Protective Security Policy Framework Glossary of Security Terms Version 1.3, December 2014

Requirement	Source	Data	Purpose	Act section/ Agreement clause
		Prescriber number Provider number		
		Pharmacy list Pharmacy number Hospital based (Yes/No)		S238(1)(a)
	Cwth Treasury	SPP amount that would otherwise have been paid to each state and territory	To calculate the Commonwealth funding contribution as set out in the Agreement.	A67-A79
		Public Health funding amount for each state and territory		
	State / Territory	Patient level activity data/aggregate level data (where a state/territory is unable to provide patient level activity data)	To determine the actual level of eligible services that will attract Commonwealth contribution.	s238(1)(a) B63-B64
		List of ABF hospitals: Hospital ID Hospital name 19(2) status Pharmaceutical reform agreement (Yes/No) Approved for HSD drugs	To allow calculation of NWAU for each state and territory.	S238(1)(a)
IHPA	NWAU calculator	Used to determine the total estimated funding (for ABF services) to be provided to each state and territory.	s238(1)(a)	

## 6.2.6 Hospital activity data submission

### 6.2.6.1 State and territory data submissions

States and territories are required to submit patient level activity data in two separate submissions as outlined below. The two submissions must contain the specified data relating to the same services delivered and are to be linked by a common unique identifier (state record identifier).

#### Submission A

- For this submission, states and territories may provide the Administrator with the services data already being submitted to IHPA via the EDW. The data are validated by the AIHW and then processed by IHPA before being used by the Administrator/NHFB.

- States and territories that prefer to submit patient level activity data directly to the Administrator/NHFB may do so through the Administrator’s data submission portal (being the NHFB Dropbox). Any data provided via this means will be subject to the same data validation rules as data provided to IHPA, for consistency purposes.

### **Submission B**

- This submission includes the Medicare number for each service contained within Submission A, which DHS will replace with a Medicare PIN.
- States and territories are to provide these data via encrypted file to DHS via the DHS Submission B Dropbox. The submission is to be provided by states and territories to DHS as a fixed-width text file.

**Note that Submission B data are not to be supplied directly to the NHFB.**

#### **6.2.6.2 Commonwealth data submission**

The Commonwealth Department of Health submission of de-identified patient level data for MBS and PBS and any other Commonwealth program is to be provided via the EDW. The Commonwealth Treasury submission of National Healthcare SPP and population parameters are to be provided directly to the Administrator.

## **6.3 Monthly reporting requirements**

Sections 238(1)(d) and 240 of the *National Health Reform Act 2011* require the Administrator to publicly issue monthly reports on National Health Reform funding transactions. These transactions include the payments made into and from the Funding Pool and State Managed Funds.

The provision of the data elements outlined in this section will allow the Administrator to meet the monthly reporting requirements of the *National Health Reform Act 2011*. Complete and timely provision of data is required so that the Administrator’s monthly reports are timely and relevant.

The monthly reports also assist in delivering the transparency objectives of the Agreement, particularly clause B21:

*There will be complete transparency and line-of-sight of respective contributions into and out of Pool accounts to Local Hospital Networks, discrete State managed funds, or to state or territory health departments in relation to public health funding and any top-upfunding, and of the basis on which the contributions are calculated. There will also be complete transparency and line-of-sight of respective contributions out of State managed funds to Local Hospital Networks.*

### **6.3.1 Data processes/timelines**

To support the requirements of the Administrator’s monthly reporting data collection, analysis and report generation cycle, the following timelines apply for each month:

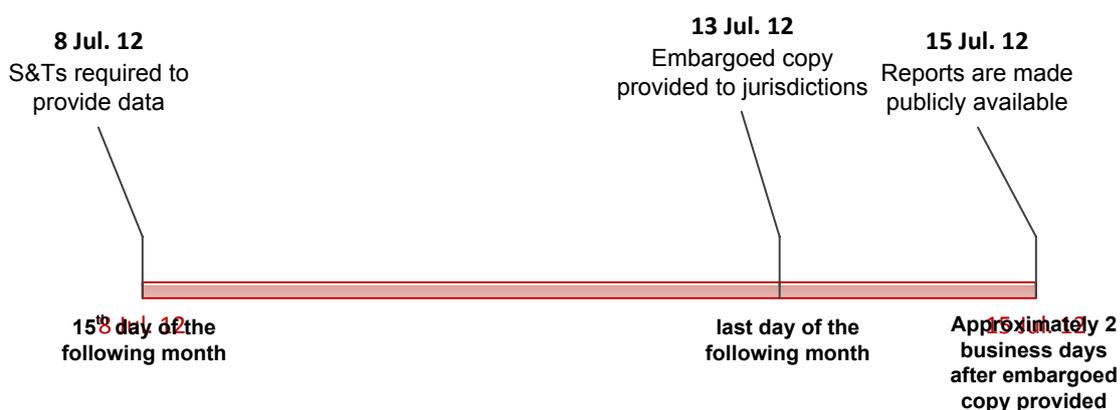
- by the 15th day of the following month - states and territories are required to provide the required information in the requested format.
- by the last day of the following month assuming all states and territories have complied with the above timeline, the Administrator will provide an embargoed copy of the monthly report to each jurisdiction.

- Approximately 2 business days following the provision of the embargoed monthly reports to states and territories, the Administrator will make the monthly reports publicly available. (A longer embargo period will be in place for June and for those months where additional review periods are likely to be required, such as when template changes are made.)

The timelines identified above are contingent on state and territory responses to queries on figures and data elements each month (if any) and the timely resolution of any issues.

Where the days identified above occur on a weekend, national public holiday or public holiday in Canberra in any given month, data collection or report generation is required by the next business day.

Figure 3: Monthly reporting timelines



### 6.3.1.1 Reporting approach

The payment arrangements for both the Commonwealth and state and territory are set out in clauses B52 and B53 of the Agreement and the provisions of the National Health Reform jurisdictional legislation. Monthly reporting reflects these arrangements. In addition, clause B56 of the Agreement details:

*States will direct the timing of Commonwealth payments from Pool accounts and State managed funds to Local Hospital Networks. However, States will not redirect Commonwealth payments:*

- between Local Hospital Networks;*
- between funding streams (for example from ABF to block funding); or*
- to adjust the payment calculations underpinning the Commonwealth's funding.*

### 6.3.2 Data sources

Monthly reporting data is to be supplied by states and territories.

#### Reconciliation to other sources

Some components of information provided by states and territories will be reconciled with existing information held by the Administrator and the NHFB, including:

- The National Health Funding Administrator's Payments System.
- Reserve Bank of Australia (RBA) bank account transactions and balances for the Funding Pool.

Information is received from the states and territories and held by the Administrator in order to calculate the Commonwealth contribution to each state and territory (identified in section 6.1 – Provision of service estimates of this Data Plan).

The data provided by states and territories, along with existing data held by the Administrator and the NHFB will be used to compile the monthly reports for each state, territory and LHN. Reports are provided at a national, state or territory and LHN level.

Any subsequent queries will be discussed by the NHFB with each state or territory individually.

### **6.3.3 Data components**

As outlined in the *National Health Reform Act 2011*, the provisions of the National Health Reform jurisdictional legislation, and the Agreement (specifically clauses B26d, B27d and B65), the Administrator is required to collect data elements from states and territories in order to enable monthly reporting of the:

- funding received into the Funding Pool from the Commonwealth and from states and territories
- basis on which Commonwealth and state and territory funding flows into the Funding Pool and State Managed Funds have been made
- payments made by the Commonwealth through the Funding Pool to states and territories for the provision of Public Health services and top-up payments
- payments made from the Funding Pool to LHNs, State Managed Funds or other organisations
- payments made from State Managed Funds to LHNs and other organisation
- basis on which the Funding Pool and State Managed Fund payments have been made
- volume of public hospital services funded to and provided by LHNs in accordance with the national system of ABF, including a running yearly total
- delivery of other public hospital services funded by the Funding Pool and State Managed Funds, including a running yearly total.

*Funding* happens when the Commonwealth or state or territory government pays National Health Reform funding into a Pool account or State Managed Fund.

*Payments* occur when the funding deposited into a Pool account or State Managed Fund is paid out of the Pool account by the Administrator, or is paid out of a State Managed Fund by the state or territory.

Table 7: Summary of transaction and information request types

	Funding Type	State Pool Account	State Managed Fund	State / Territory Health Departments
Funding (\$)	ABF funding	By service category and CwIth and S/T components for each LHN		
	Block funding	By service category and CwIth component	By service category and CwIth and S/T components	
	Other			By Public Health, over deposit, cross-border (S/T component), interest, and top-up funding guarantees
Payments (\$)	ABF payments	By service category and CwIth and S/T components for each LHN		
	Block payments		By service category and CwIth and S/T components for each LHN/other	
	Other			By Public Health, over deposit, cross-border (S/T component), interest and top-up funding guarantees
Services (NWAU)	ABF	By service category for each LHN		
Services (Other)	Other	By relevant category	By relevant category	

### Basis statements

States and territories must provide narrative explaining the basis on which they make payments to LHNs. This information is included in the state or territory monthly report.

### Funding and payments

States and territories provide data relating to:

- funding received into the Funding Pool and State Managed Funds by states and territories, and
- payments made to LHNs, State Managed Funds or other organisations.

The majority of government funding to LHNs is not subject to GST. However in some cases hospital funding to non-government entities does attract GST. For example, denominational hospitals, privately and commercially owned health facilities or other non-government third party providers of health services or related supplies. In these cases, states and territories must separately identify the GST component.

### State and territory prices for ABF services

Clause A63 of the Agreement requires that state and territory prices set for ABF services form part of the basis on which state or territory funding is made to LHNs. Clause A66 requires states and territories to advise these prices to the Administrator (and IHPA).

## Service volumes

The monthly reports show both dollars and service volumes for ABF. ABF service volumes are expressed as NWAU.

## Other public hospital services

As required under section 240(1)(f) of the *National Health Reform Act 2011* and clauses B26d, B27d and B65 of the Agreement, the Administrator is required to report the number of 'other public hospital' services and functions funded from each state pool account or state managed fund.

Unlike the unit of measurement for the national ABF system (NWAU), there is currently no nationally standardised measurement system for 'other public hospital services'.

Consequently, states and territories should provide detail to the Administrator on the application of national health reform funding outside of ABF, based on the locally accepted unit measurement classification (e.g. hours, events, clients, episodes etc.) and the funding arrangements used in each state/territory.

Further information on data reporting relating to 'other public hospital' services is provided at [Appendix E](#).

## 6.3.4 Data specifications

Table 8: Monthly Reporting requirements

Requirement	Source	Data	Purpose	Act section / Agreement clause
Report publicly and issue monthly reports on national health reform funding transactions required under the <i>National Health Reform Act 2011</i> and the Agreement.	State / Territory	Funding and Payments NWAU Funded Other public hospital services	The data are required from states and territories to enable the Administrator to publicly issue monthly reports on national health reform transactions, including the payments made into and from the Funding Pool and State Managed Funds, volume of public hospital services and basis for contributions.	s238(1)(d) (e)(f) s240 B26d, B27d, B65

Data specification documents are provided on the Administrator's website at:

[www.publichospitalfunding.gov.au/publications/operational-documents](http://www.publichospitalfunding.gov.au/publications/operational-documents)

## 6.3.5 Monthly reports data submission

Monthly reports data are to be provided via an email to [nhfa.administrator@nhfa.gov.au](mailto:nhfa.administrator@nhfa.gov.au)

## Appendix A: Data collections utilised by the Administrator and IHPA

For this rolling update the NHFB, on behalf of the Administrator, has worked collaboratively with IHPA in revising the Three Year Data Plan as part of a commitment to the principle of data rationalisation expressed in the Agreement, particularly in progressing the principle of 'single provision, multiple use'. The table below demonstrates a coordinated approach to data collection.

The IHPA and NHFB utilise cost and expenditure data through the same key collections: the National Hospital Cost Data Collection and the National Public Hospitals Establishments Database and the Public Hospitals Establishments Data Set Specification.

Table 1: Comparative Activity data collections utilised by the Administrator and IHPA

Service category	National Agencies			Year of data collection					
	IHPA		NHFP Administrator	2017-18		2018-19		2019-20	
	ABF	Block-funded		Data spec	Classification	Data spec	Classification	Data spec	Classification
Admitted acute	✓	✓	✓	APC NMDS 2017-18	ICD-10-AM 10 <sup>th</sup> ed. & AR-DRG v8.0	APC NMDS 2018-19	ICD-10-AM 10 <sup>th</sup> ed. & AR-DRG v9.0	APC NMDS 2019-20	ICD-10-AM 11 <sup>th</sup> ed. & AR-DRG v9.0
Emergency (ED Levels 3B – 6)	✓	✓	✓	NAPEDC NMDS 2017-18	URG v1.4	NAPEDC NMDS 2018-19	Australian Emergency Care Classification	NAPEDC NMDS 2019-20	Australian Emergency Care Classification
Emergency (ED Levels 1 – 3A)	✓	✓	✓	ABF ESC NBEDS 2017-18	UDG v1.3	ABF ESC NBEDS 2018-19	Australian Emergency Care Classification	ABF ESC NBEDS 2019-20	Australian Emergency Care Classification
Non-admitted (Aggregate data)	✓	✓	✓	NAPC Aggregate NMDS and NBEDS 2017-18	Tier 2 Non-Admitted Services v4.1	NAPC Aggregate NMDS and NBEDS 2018-19	Tier 2 Non-Admitted Services v4.1	N/A	Australian Non-Admitted Care Classification

Service category	National Agencies			Year of data collection					
	IHPA		NHFP Administrator	2017-18		2018-19		2019-20	
	ABF	Block-funded		Data spec	Classification	Data spec	Classification	Data spec	Classification
Non-admitted (Patient level data)	✓		✓	NAP NBEDS 2017-18	Tier 2 Non-Admitted Services v4.1	NAP NBEDS 2018-19	Tier 2 Non-Admitted Services v4.1	NAP NMDS 2019-20	Australian Non-Admitted Care Classification
Mental health*	✓	✓	✓	ABF MHC NBEDS 2017-18	Australian Mental Health Care Classification v1.0	ABF MHC NBEDS 2018-19	Australian Mental Health Care Classification v1.0	ABF MHC NBEDS 2019-20	Australian Mental Health Care Classification v2.0
Admitted subacute & non-acute	✓	✓	✓	ASNHC NBEDS 2017-18	AN-SNAP v4.0	ASNHC NBEDS 2018-19	AN-SNAP v4.0	ASNHC NBEDS 2019-20	AN-SNAP v5.0
Teaching, training & research*	✓			HTTRA NBEDS 2015-	N/A	HTTRA NBEDS 2018-19	Teaching, Training and Research Classification	HTTRA NBEDS 2019-20	Teaching, Training and Research Classification

\* The Administrator's required data collections have been harmonised with the IHPA Three Year Data Plan 2017-18 to 2019-20 to standardise the data requirements. The submission of this dataset will not form part of the Administrator's Data Compliance Reports for the purpose of the Data Conditional Payment.

Table 2: Other data collections utilised by IHPA and the Administrator

	National Agencies			Year of data collection		
	IHPA		NHFP Administrator	2017-18	2018-19	2019-20
Category	ABF	Block funded		Data collection	Data collection	Data collection
In-scope pharmaceutical program payments	✓		✓	Commonwealth in-scope patient level pharmaceutical program payments data	Commonwealth in-scope patient level pharmaceutical program payments data	Commonwealth in-scope patient level pharmaceutical program payments data
De-identified Medicare number and funding source information	✓	✓	✓	'Submission B' data file provided by jurisdictions to the Department of Human Services	'Submission B' data file provided by jurisdictions to the Department of Human Services	'Submission B' data file provided by jurisdictions to the Department of Human Services
Sentinel events	✓	✓	✓	Data file which identifies episodes with sentinel events to be provided by jurisdictions	Data file which identifies episodes with sentinel events to be provided by jurisdictions	Data file which identifies episodes with sentinel events to be provided by jurisdictions

Table 3: Dataset and classification names

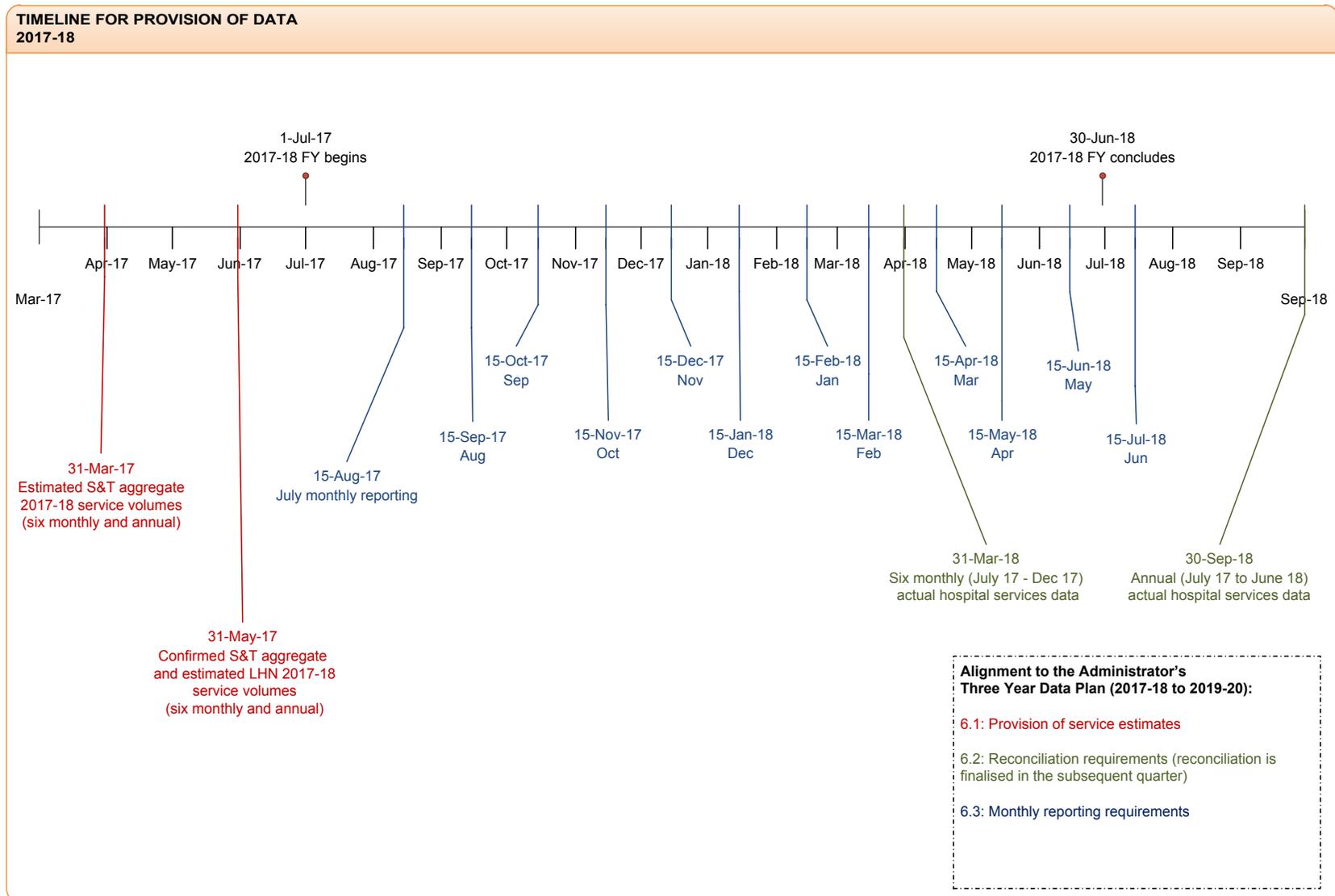
Dataset Acronym	Dataset name
ABF ESC NBEDS	Activity Based Funding Emergency Service Care National Best Endeavours Data Set
ABF MHC NBEDS	Activity Based Funding Mental Health Care National Best Endeavours Data Set
AN-SNAP	Australian National Sub-Acute and Non-Acute Patient Classification
APC NMDS	Admitted Patient Care National Minimum Dataset
AR-DRG	Australian Refined Diagnosis Related Group (Admitted patient classification system)
ASNHC NBEDS	Admitted Sub-acute and Non-acute Hospital Care National Best Endeavours Data Set
ICD-10-AM	International Statistical Classification of Diseases and Related Health Problems (revision 10-Australian Modification)
HTTRA NBEDS	Hospital Teaching, Training & Research National Best Endeavours Data Set
NAPC Aggregate NMDS and NBEDS	Non-admitted Patient care Aggregate National Minimum Dataset and National Best Endeavours Data Set
NAP NBEDS	Non-admitted Patient National Best Endeavours Data Set
NAP NMDS	Non-admitted Patient National Minimum Dataset
NAPEDC NMDS	Non-admitted Patient Emergency Department Care National Minimum Dataset
UDG	Urgency Disposition Group. Classifies patients into groups based on disposition (admitted or discharged) and urgency.
URG	Urgency Related Group. Segments the UDG classification system using major diagnostic blocks.

The table below outlines how the Administrator will use each data collection as a component of the determination of the Commonwealth contribution to ABF funding. Each service in the collection is firstly confirmed as in scope for ABF funding as determined by the IHPA.

*Table 4: Data Collection Usage*

Data collection service category	Calculation of NWAU	Determination of eligibility for Commonwealth ABF funding
<p><b>Patient Level data</b></p> <ul style="list-style-type: none"> <li>• Admitted acute</li> <li>• Emergency Department (ED Levels 3B – 6)</li> <li>• Admitted sub-acute and non-acute</li> <li>• Non-admitted</li> </ul>	<p>Details of each in scope service in this collection such as remoteness and Indigenous status are used to calculate NWAU, including appropriate NWAU adjustments</p> <p>Details of each in scope service in this collection for cross-border patients are used to calculate cross-border NWAU</p>	<p>Details of each in scope service in this collection such as sex, date of birth, admission and discharge dates inform the determination of eligibility for Commonwealth funding</p>
<p><b>Aggregate Data</b></p> <ul style="list-style-type: none"> <li>• Emergency Services (ED Levels 1 – 3A)</li> <li>• Non-admitted</li> </ul>	<p>The aggregate data in this collection allows only base NWAU to be calculated. The absence of patient level data means that NWAU adjustments using factors such as remoteness and Indigenous status are not possible</p>	<p>The aggregate data in this collection does not permit matching of services at a patient level. All in scope services provided at aggregate level are determined as eligible for Commonwealth funding</p>

## Appendix B: Timeline for data provision



## Appendix C: Reconciliation data requirements

The following tables identify the data required to be submitted to the Administrator by the states/territories and Commonwealth as part of the reconciliation process.

### Submission A

Submission A includes patient and aggregate level hospital activity data provided by state and territories (as per Appendix A) and MBS and PBS and associated reference files provided by the Commonwealth.

### Submission B

Submission B provides the Administrator the Medicare number and funding source information that aligns with the state and territory hospital activity file data (Submission A). Submission B is provided directly to the DHS by states and territories. The DHS replace the Medicare number with a unique Medicare PIN, and then provide the Submission B data to the Administrator. This process is managed in accordance with the Administrator's *Data Privacy, Secrecy and Security Policy (2014)*.

Submission B is unique to the Administrator's Data Plan, and enables a deterministic link using the Medicare PIN between the hospital activity file and the MBS and PBS data respectively.

Table 1: Submission B

Data item	Purpose
State Record Identifier	Required for matching with Submission A.
Full Medicare Number including sub-numerate as the last digit	Required for matching with services data.
Other Commonwealth program status	To derive eligible services.
Program or exemption type	To derive eligible services.
File Category	Required for matching with services data.
Establishment Identifier	Required for matching with services data.
Pass through data	Spare space for future use.

### Sentinel Events

The Sentinel Events data file is an additional data file identifying those episodes in which a sentinel event occurred for the purpose of pricing for safety and quality. As sentinel events are not currently reported in national data sets, states and territories will be required to submit a separate data file with actual hospital services data. From 1 July 2017, episodes of care (across all care streams) where a sentinel event occurs will not be funded in its entirety. This funding approach will use the national core set of eight sentinel events agreed to by Australian Health Ministers in 2002, which identifies the following events:

- Procedures involving the wrong patient or body part resulting in death or major permanent loss of function;
- Suicide of a patient in an inpatient unit;
- Retained instruments or other material after surgery requiring re-operation or further surgical procedure;
- Intravascular gas embolism resulting in death or neurological damage;

- Haemolytic blood transfusion reaction resulting from ABO incompatibility;
- Medication error leading to the death of a patient reasonably believed to be due to incorrect administration of drugs;
- Maternal death associated with pregnancy, birth and the puerperium; and
- Infant discharged to the wrong family.

*Table 2: Sentinel Events*

Data item	Purpose
State or territory	Required for matching with Submission A.
State Record Identifier	Required for matching with Submission A.
File Category	Required for matching with services data.
Establishment Identifier	Required for matching with services data.
Date of Birth	Required for matching with services data.
Sentinel Event Code	Required for matching with services data.

## Appendix D: Monthly reporting requirements—legislative alignment

The monthly reports are published on the National Health Reform Public Hospital Funding website ([www.publichospitalfunding.gov.au](http://www.publichospitalfunding.gov.au)).

The website also provides general information on national health reform arrangements, funding and payment flows, and the role and responsibilities of the Administrator.

The website and the information it contains enable:

- data and information about public health funding to be available and understandable by the general public.
- citizens and organisations to access information on the national health reform funding mechanisms and arrangements.

The tables and statements in each monthly report and their alignment to section 240 of the *National Health Reform Act 2011* are outlined below.

*Table 1: Alignment of monthly report tables and statements to section 240 of the National Health Reform Act 2011*

Table/statement	Table/statement title	Alignment to section 240 of the Act
National Table 1	National health reform funding and payments for each state and territory	(1) (a) to (d)
National Table 2a	National health reform funding by funding source for each state and territory	(1) (a) and (b)
National Table 2b	National health reform funding by funding source for each state and territory YTD	(1) (a) and (b)
National Table 3a	National health reform funding by funding type for each state and territory	(1) (a) and (b)
National Table 3b	National health reform funding by funding type for each state and territory YTD	(1) (a) and (b)
National Table 4	Estimated monthly, year-to-date and annual NWAU by each state and territory	(1) (e)
State Reports	Basis for national health reform payments (Commonwealth and state/territory).	(1) (a) to (d)
State Table 1a	State Pool account transactions	(1) (a) to (c)
State Table 1b	State Pool account transactions YTD	(1) (a) to (c)
State Table 2a	State Managed Fund transactions	(1) (a), (c) and (d)
State Table 2b	State Managed Fund transactions YTD	(1) (a), (c) and (d)
State Table 3	National health reform funding and payments by service category	(1) (a) to (d)

Table/statement	Table/statement title	Alignment to section 240 of the Act
State Table 4a	National health reform payment contributions by local hospital network	(1) (c) and (d)
State Table 4b	National health reform payment contributions by local hospital network YTD	(1) (c) and (d)
State Table 5	Estimated monthly, YTD and annual NWAU by LHN	(1) (e)
State Table 6	Other public hospital and services and functions	(1) (f)
LHN Table 1a	National health reform payments for each LHN	(1) (c) and (d) (Also aligned with LHN Service Agreements)
LHN Table 1b	National health reform payments YTD for each LHN	(1) (c) and (d) (Also aligned with LHN Service Agreements)
LHN Table 2	Estimated monthly, YTD and annual NWAU for each LHN	(1) (e)

## Appendix E: Other public hospital services

Section 240(1)(f) of the *National Health Reform Act 2011* and clauses B26d, B27d and B65 of the Agreement require the Administrator to report:

*The number of other public hospital services and functions funded from each State Pool Account or State Managed Fund (including a running financial year total).*

Unlike the unit of measurement for the national ABF system (NWAU), there is currently no nationally standardised measurement system for 'other public hospital services'.

States and territories are requested to provide detail on the application of national health reform funding outside the ABF arrangements, based on the locally accepted unit measurement classification and the funding arrangements used in that state or territory.

The table below provides examples of units of measurement that may be used by states and territories to satisfy the requirements of the legislation and the Agreement. These are examples only and are by no means an exhaustive list of the units of measurement that may be reported. States and territories should report the unit or units of measurement that are used locally.

*Table 1: Examples of possible types of units of measurement for 'other public hospital services and functions funded'.*

Unit of measurement	Description
Cost weights e.g. Weighted Inlier Equivalent Separation (WIES)	A relative measure of resource use. e.g. WIES is a cost weight (W) that is adjusted for time spent in hospital (IES), and represents a relative measure of resource use for each episode of care in a Diagnostic Related Group (DRG).
Clinical service units or Non-clinical service units e.g. No. of transplants or No. of interpreter services	A measure of the number of service units (may be clinical or non-clinical) that are funded for the LHN. e.g. A LHN may be funded to undertake a number of transplants, elective surgeries or the like. Similarly, a LHN may be funded to provide interpreter services.
Contract related e.g. Signed service agreements	A measure of the number of contracts in place to deliver national health reform services. e.g. The number of signed service agreements with LHNs.
Capacity related e.g. No. of beds	A measure of the funding provided for national health reform services based on the capacity of a LHN or hospital. e.g. A LHN may receive national health reform funding based on the number and/or types of beds.
Input related e.g. Staffing profile	A measure of the funding provided based on inputs. e.g. A LHN may receive national health reform funding based on the staffing profile or similar.