



Administrator
National Health
Funding Pool

National Health Reform
Public Hospital Funding

Local Hospital Network Report
Ballarat Health Services
July 2014

Issued by the Administrator of the National Health Funding Pool
under section 240 of the *National Health Reform Act 2011*

This report is available from the National Health Reform Public Hospital Funding website at www.publichospitalfunding.gov.au.

National Health Reform public hospital funding Ballarat Health Services – July 2014

This report is issued by the Administrator of the National Health Funding Pool under section 240 of the *National Health Reform Act 2011*.

This report is prepared on a cash basis. It shows the National Health Reform (NHR) payments made by the Commonwealth and Victoria to Ballarat Health Services for July 2014 as part of the *National Health Reform Agreement*.

Ballarat Health Services offers a comprehensive range of services in acute, extended and psychiatric care for the Ballarat and Grampians region in western Victoria. See [Ballarat Health Services public hospitals and service providers](#).

In this report

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Local hospital networks and National Health Reform

A local hospital network (LHN) is an organisation that provides public hospital services in accordance with the *National Health Reform Agreement* (the Agreement). An LHN can contain one or more hospitals, and is usually defined as a business group, geographical area or community. Every Australian public hospital is part of an LHN.

Note: The term 'local hospital network' is a national term. Some states and territories use their own local terminology to describe these networks, such as local health districts, health organisations, and public health or hospital services.

Under the Agreement, LHNs receive NHR funding for the following public hospital services:

- All admitted and non-admitted services
- All emergency department services provided by a recognised emergency department
- Other outpatient, mental health, sub-acute services and other services that could reasonably be considered a public hospital service.

Note: LHNs also receive funding from other sources, including the Commonwealth, states and territories, and third parties for the provision of other specific functions and services outside the scope of the Agreement, for example, dental services, primary care, home and community care, residential aged care and pharmaceuticals. For further information on total funding to a particular LHN, contact the Victorian Department of Health to view the service agreement for that LHN.

Reference information

The data in this report can be viewed in conjunction with information shown on the *MyHospitals* website (www.myhospitals.gov.au) which provides information on hospitals throughout Australia.

The financial information outlined in the following report represents NHR payments. NHR payments are when NHR funding that has been deposited into a state pool account or state managed fund is paid out of the state pool account by the Administrator, or is paid out of the state managed fund by the state.

For the basis of NHR payments, see the *Basis for National Health Reform payments* explanation in the [Victoria report, July 2014](#).

For the basis of the Commonwealth contribution to NHR funding, see [Basis of Commonwealth NHR funding, 2014-15](#).

NHR payments to Ballarat Health Services

Table 1a – NHR payments – Ballarat Health Services, July 2014

This table shows NHR payments made by the Commonwealth and Victoria to Ballarat Health Services by service category and contribution for July 2014.

The table shows for each service category, payments to the LHN and the Commonwealth and state contributions for each service category. For further information on total funding to a particular LHN, contact the Victorian Department of Health to view the service agreement for that LHN.

Service category	Total NHR payments (ex GST)	GST	Commonwealth NHR payments (ex GST)	State/territory NHR payments (ex GST)
	(\$)	(\$)	(\$)	(\$)
Acute admitted	*	*	*	*
Admitted mental health	*	*	*	*
Sub-acute	*	*	*	*
Emergency department	*	*	*	*
Non-admitted	*	*	*	*
Total ABF payments (Pool)	27,217,000	0	7,061,111	20,155,889
Small rural hospitals	*	*		
Teaching, training & research	*	*		
Non-admitted mental health	*	*		
Other non-admitted services	*	*		
Total Block payments (SMF)	3,810,000	0		
Total NHR payments	31,027,000	0		

* Victoria has advised it is unable to provide payment information by service category as its 2014-15 service agreements with LHNs do not set separate budgets at that level.

See explanatory notes following table 1b.

Table 1b – NHR payments YTD – Ballarat Health Services, July 2014

Following on from table 1a, this table shows year-to-date (YTD) NHR payments to the Ballarat Health Services by service category, and the contributions made by the Commonwealth and Victoria by service category as at July 2014.

Service category	Total NHR payments YTD (ex GST) (\$)	GST YTD (\$)	Commonwealth NHR payments YTD (ex GST) (\$)	State/territory NHR payments YTD (ex GST) (\$)
Acute admitted	*	*	*	*
Admitted mental health	*	*	*	*
Sub-acute	*	*	*	*
Emergency department	*	*	*	*
Non-admitted	*	*	*	*
Total ABF payments (Pool)	27,217,000	0	7,061,111	20,155,889
Small rural hospitals	*	*		
Teaching, training & research	*	*		
Non-admitted mental health	*	*		
Other non-admitted services	*	*		
Total Block payments (SMF)	3,810,000	0		
Total NHR payments	31,027,000	0		

* Victoria has advised it is unable to provide payment information by service category as its 2014-15 service agreements with LHNs do not set separate budgets at that level.

Total ABF payments (Pool) represents NHR payments made by the Administrator from the state pool account to the LHN.

Total Block payments (SMF) represents NHR payments made by Victoria from the state managed fund (SMF) to the LHN.

Note: The grey shaded areas in the table above reflect that block payments made to LHNs cannot at this stage be identified by source of funding (state or Commonwealth) when paid from state managed funds.

Payments in these tables are GST exclusive. 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 any other non-government third party provider of health services or related supplies.

For the basis of NHR payments, see the *Basis for National Health Reform payments* explanation in the [Victorian report, July 2014](#).

Estimated monthly, YTD and annual NWAU

States and territories provide service volume *estimates* at the start of each financial year, and if required, can continue to refine these estimates during the course of the year. These *estimates* form the basis of monthly reporting of service volumes until *actual* service numbers become available. These estimates are expressed as National Weighted Activity Units (NWAU).

Victoria provided estimated annual NWAU for Ballarat Health Services to the Administrator as a basis for determining the Commonwealth activity-based funding. Current month NWAU estimates accumulate through the year-to-date NWAU, to be equal to the annual NWAU at the end of the financial year.

Table 2 – Estimated monthly, YTD and annual NWAU – Ballarat Health Services, July 2014

This table shows the estimated activity for activity-based funding services expressed as NWAU for July 2014, the associated year-to-date (YTD) NWAU, and the total estimated annual NWAU for Ballarat Health Services.

Activity based funding (ABF) service category	Estimated NWAU funded in current month	Estimated NWAU funded YTD	Estimated annual NWAU 2014-15
Acute admitted	*	*	*
Admitted mental health	*	*	*
Sub-acute	*	*	*
Emergency department	*	*	*
Non-admitted	*	*	*
Total	3,822	3,822	45,866

* *Victoria has advised that service agreements with LHNs for 2014-15 do not set separate NHR service category budgets.*

An NWAU is a measure of health service activity expressed as a common unit. It provides a way of comparing and valuing each public hospital service, whether they are admissions, emergency department presentations or outpatient episodes, by weighting them for their clinical complexity. The average hospital service is worth one NWAU – the most intensive and expensive activities are worth multiple NWAU, the simplest and least expensive are worth fractions of an NWAU.

Monthly NHR payments relate to the cash needs of public hospitals and do not necessarily reflect the volume of services to be delivered in the month.

For more information on the NWAU calculation, see [Calculation of NWAU](#).

For the basis of NHR payments, see the *Basis for National Health Reform payments* explanation in the [Victorian report, July 2014](#).

Ballarat Health Services public hospitals and service providers

Ballarat Health Services offers a comprehensive range of services in acute, extended and psychiatric care for the Ballarat and Grampians region in western Victoria.

For the purposes of NHR public hospital funding arrangements, this LHN is made up of the following public hospitals and service providers:

- Ballarat Base Hospital
- Queen Elizabeth Centre