

**Senate Community Affairs Committee**

**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**

**HEALTH PORTFOLIO**

**Budget Estimates 2016 - 2017, 6 May 2016**

**Ref No:** SQ16-000351

**OUTCOME:** 2 - Health Access and Support Services

**Topic:** Hospitals - Activity Based Funding

**Type of Question:** Hansard Page 15, 6 May 2016

**Senator:** Gallagher, Katy

**Question:**

Senator GALLAGHER: That is my question. What is each individual state's activity growth? What are these figures based on?

Mr Cormack: It is the volume multiplied by the national efficient price and the Commonwealth share of that at 45 per cent of growth. That is how you get to those figures. That is what they are based on.

Senator GALLAGHER: But I presume they are all slightly different.

Mr Cormack: They all slightly different. Each state—

Senator GALLAGHER: That is my question: what are they? What did New South Wales tell you about their growth for next year, and what did the ACT say and what did South Australia say?

Mr Cormack: We will have to get the figures from the National Health Funding Body to give you the precise activity projections, but we simply lifted those activity projections and incorporated them into the forward funding for 2016-17 and, in the out years, it is based on the 10-year historical growth average of each jurisdiction, independently calculated by the Australian Institute of Health and Welfare. That is the basis of those figures. This clearly demonstrates that the funding that is available to them is consistent with what they are specifying in terms of their future activity for 2016-17. That is the way it works.

**Answer:**

Estimated activity projections are provided by states and territories to the National Health Funding Body, which then uses the estimates to calculate the Commonwealth National Health Reform Funding entitlement for the financial year.

The table below sets out the estimated activity growth rates provided by each state and territory for 2016-17.

	<b>NSW</b>	<b>VIC</b>	<b>QLD</b>	<b>WA</b>	<b>SA</b>	<b>TAS</b>	<b>ACT</b>	<b>NT</b>	<b>National</b>
Growth Rate (%)	2.9	3.2	4.3	7.7	2.5	-2.3	3.7	3.6	3.6