

**Senate Community Affairs Committee**

**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**

**HEALTH AND AGEING PORTFOLIO**

**Supplementary Budget Estimates 2012-2013, 17 & 19 October 2012**

**Question:** E12-257

**OUTCOME 13:** Acute Care

**Topic:** PUBLIC HOSPITALS AND INFORMATION

**Type of Question:** Written Question on Notice

**Number of pages:** 1

**Senator:** Senator Fierravanti-Wells

**Question:**

- a) When were the States notified that there was a negative variance between what was proposed and what would be paid?
- b) Is it possible the Government will pay less in future years for hospital services than what they are promising?

**Answer:**

- a) The final outcome of the National Healthcare Specific Purpose Payment (SPP) for 2011-12 was determined by the Treasurer in accordance with the *Federal Financial Relations Act 2009*. The preliminary outcome was published in the 2011-12 Final Budget Outcome with a footnote identifying that the final outcome was subject to the Treasurer's determination (see page 66). Consistent with past practice, states and territories were notified of the variance between the National SPP advances paid in 2011-12 and the final outcome on Friday, 7 September 2012, prior to publication of the Final Budget Outcome and the signing of the Treasurer's determination.
- b) Changes to National Health Reform funding from 2012-13 to 2014-15 will be dependent upon movements in parameters underpinning these payments – similar to National Specific Purpose Payments. Notwithstanding these movements, under the National Health Reform Agreement, states and territories are guaranteed additional funding for public hospital services of at least \$16.4 billion between 2014-15 and 2019-20. This guarantee is not affected by changes in population and prices.