

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

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

Question: E12-260

OUTCOME 13: Acute Care

Topic: NATIONAL EFFICIENT PRICE FOR GROWTH – IHPA

Type of Question: Written Question on Notice

Number of pages: 1

Senator: Senator Fierravanti-Wells

Question:

From 2014-15, the Commonwealth is to pay 45 per cent of the National Efficient Price for 'growth' in the volume of services relative to the previous year. What will be the Commonwealth's contribution to the base volume (non-growth)? Is there any indication of approximately what the Commonwealth's contribution will be overall from 2014-15 to 2016-17?

Answer:

Table 3.23 (p 74) of the 2012-13 Mid Year Economic and Fiscal Outlook (MYEFO) shows total National Health Reform Funding over the period 2012-13 to 2015-16:

Table 3.23: National Health Reform Funding over the period 2012-13 to 2015-16 (\$m)

2012-13	2013-14	2014-15	2015-16
13,264	14,014	15,537	17,192

Please note 2016-17 is outside the Forward Estimate period and hence is not included in MYEFO.

The Independent Hospital Pricing Authority is responsible for developing projections for the national efficient price over the forward estimates period. These projections will be updated on an annual basis and provided on a confidential basis to the Commonwealth and States.

From 1 July 2014 the Commonwealth will fund 45 per cent of the efficient growth of public hospital services. The base on which growth will be calculated is the 2013-14 National Health Reform Specific Purpose Payment.