

Office of the Director-General

Mr Michael Pervan Chief Executive Officer Independent Health and Aged Care Pricing Authority PO Box 483 DARLINGHURST NSW 1300

Dear Mr Pervan

ROUND 26 National Hospital Cost Data Collection Data Quality Statement

Thank you for your letter of 20 March 2023 requesting that ACT Health provide a Data Quality Statement for data provided to the Independent Health and Aged Care Pricing Authority (IHACPA) for the 2021-22 (Round 26) National Hospital Cost Data Collection (NHCDC). I apologise for the delay in response while we undertook work to address data quality issues associated with the implementation of our Digital Health Record.

As requested, please find attached ACT Health's Data Quality Statement. The response provides commentary on all areas as requested, and information on changes between NHCDC rounds.

All data provided by ACT to Round 26 of the NHCDC has been prepared to the best of our knowledge in accordance with the Australian Hospital Patient Costing Standards.

We thank IHACPA for their ongoing work in the collation of the NHCDC and we apologise for the delay in our response. Hope this statement meets all requirements and IHACPA wishes to discuss this statement further, please contact Mr Marcus Nicol, Executive Branch Manager, Data Analytics Branch on (02) 5124 6839 or Marcus.Nicol@act.gov.au.

The ACT remains committed to working in collaboration with IHACPA in making enhancements to the NHCDC submissions. I look forward to our continued collaboration on this and other matters.

Yours sincerely

Rebecca Cross

Director-General

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13 December 2023



ACT Data Quality Statement Template – 2021-22 NHCDC Submission

1. Governance processes and results

1.1. Governance arrangement

Provide details on changes to:

- structure of Local Health Networks and number of hospitals submitted,
 For the 2021-22 NHCDC submission, there were no changes to ACT's Local Health
 Networks and number of hospitals submitted.
- costing or activity recording practices,
 Activity data comes from centralised data repository and finance data is extracted from hospital's finance systems. All data is reconciled with health services prior to the submission.
- reporting processes (including review/approval processes) and methodology (e.g., quality assurances tests undertaken and reconciliation).
- There is a detailed quality assurance and reconciliation process conducted with the health services that remains the same as in previous years.

Is costing undertaken in a consistent manner throughout the jurisdiction?

• The NHCDC submission is undertaken annually by ACT Health Directorate (ACTHD) in consultation with health services.

1.2. Summary of 2021-22 results

Provide a summary of the 2021-22 and 2020-21 NHCDC submission, including but not limited to:

number of hospitals,

The 2021-22 and 2020-21 NHCDC submissions includes the below three hospitals:

- Canberra Health Services (CHS), Calvary Public Hospital, Bruce (CPHB) & University of Canberra Hospital (UCH)
- General ledger costs included/excluded,

Hospital	Financial Year	Total GL Expenditure	Total Costed Amount
CHS	2021-22	\$1,614,488,999	\$1,402,506,905
СРНВ	2021-22	\$316,848,838	\$277,389,527
UCH	2021-22		\$56,343,924.51

- activity count for compared to the previous year,
- Activity counts have remained steady between the two years with the most significant impact on outpatient activity due to the impact of COVID-19 – specifically the administration of the COVID vaccine and the continuation of PCR testing.
- explanations of significant cost movements from previous year.
- ACTHD undertook a costing review in preparation for ABF. The review was undertaken as the initial step in a series of reviews recommended as part of ABF



preparation. In accordance with the recommendations from the review, additional costs were included in the 2021-22 submission, resulting in an increase in average cost.

1.3. Compliance to the Australian Hospital Patient Costing Standards (AHPCS)

Provide confirmation that the AHPCS have been complied with at the hospital health network/district and jurisdictional level and identify areas where AHPCS have not been applied and provide explanations for these exceptions. Please identify any areas of improvement or refinement in relation to the application of the AHPCS. Questions to consider responding to include:

- Are all relevant expenses identified and included in the NHCDC submission (AHPCS;
 Stage 1: identify relevant expenses, Stage 2: create cost ledger, Stage 3: create final cost centres)?
 - o the relevant expenses are identified and included in the submission.
- Has all hospital (health district) activity been identified and included in the costing process (AHPCS Stage 4: identify products)?
 - All available patient level activity and feeder data was included in the costing process.
- How have costs been allocated to patients (AHPCS Stage 5: assign expenses to products)?
 - Patient level data is used to assign costs to patients.
- What is the process for reconciling cost and activity data (AHPCS Stage 6: review and reconcile)?
 - Cost and activity data is reconciled against the IHACPA ABF submissions, the Local Hospital Network and Public Hospital Establishments submission to AIHW and with the hospitals themselves, both through their respective operating statement and reconciliation meetings.



2. Other relevant information

Please include other information relevant to your jurisdictions annual NHCDC submission. Which may include:

- Impact of COVID-19 on the 2021-22 submission.
- Other significant factors and challenges that impacted the 2021-22 NHCDC submission.

The implementation of the Digital Health Record (DHR) was a significant factor in the timeliness of the 2021-22 NHCDC submission. Costing resources from both the directorate and hospitals were redeployed in a systematic joint approach to refine the wealth of new data provided by the DHR.

3. NHCDC declaration

All data provided by the ACT to the 2021-22 NHCDC has been prepared to the best of our knowledge in accordance with the Three-Year Data Plan 2021–22 to 2023–24, Data Compliance Policy June 2021, and the Australian Hospital Patient Costing Standards (AHPCS) Version 4.1.

Best endeavours were undertaken to ensure complete and factual reporting and compliance. Data provided in this submission has been reviewed for adherence to the AHPCS Version 4.1 and is complete and free of known material errors.

Assurance is given that to the best of my knowledge the data provided are suitable to be used for the primary purpose of the NHCDC, which includes the development of the National Efficient Price.

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Rebecca Cross, Director General