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Health
Department for
Health and Wellbeing

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Dear Prof Pervan

RE: NATIONAL HOSPITAL COST DATA COLLECTION 2021-22 DATA QUALITY STATEMENT

Thank you for your letter of 20 March 2023, about the National Hospital Cost Data Collection (NHCDC) 2021-22 Data Quality Statement (DQS).

A Data Quality Statement has been submitted in support of the production of the National Hospital Cost Data Collection Cost Report, and a copy is attached.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Robyn Lawrence'.

DR ROBYN LAWRENCE
Chief Executive

26 / 4 / 2023

Att: Round 25 Date Quality Statement – South Australia

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Data Quality Statement for South Australia

1. Governance processes and results

1.1. Governance arrangement

- There is a dedicated team within the Department of Health and Wellbeing (DHW) which coordinates, processes, and supports the costing on behalf of the Local health Networks (LHNs).
- The DHW costing team is responsible for the major activity inputs of inpatient and the emergency department, which are reviewed by each LHN for accuracy. The DHW team develops the costing ledger with input from LHNs on any changes from previous years.
- The inputs for outpatient and other feeder files, together with the results are the responsibility of the LHNs. The DHW works with the LHNs to ensure all costs and activities are accounted for and processed in accordance with AHPCS Version 4.
- Costing data from the LHNs is all processed by the central Patient Costing Team in DHW. This team collaborates closely with each other and seeks to apply standardised methodology and processes. The LHNs use the same guidelines for costing patient level data. While LHNs may choose different cost drivers in particular instances, the methodology is consistent. DHW and the LHNs hold a monthly working group to collaborate, resolve issues and keep informed.
- Each year, the DHW Patient Costing Team meets with the LHNs for a thorough review of all costings at the patient level; internally this is referred to as an activity review. Any discrepancies are addressed, costing runs are continued until the LHNs are satisfied that their data is fit for purpose. Once the LHN has signed off on their costings, the DHW Patient Costing Team builds the necessary data for submission to the NHCDC.
- This review day was held in December 2022 and focused on the draft results which highlighted movements in total costs compared to the previous year.
- Costing is undertaken for the 6 months YTD December, 9 months YTD March, and the full year to June. In addition, for 2021-22, pre-Covid (July-December) and post-Covid (January-June) periods were costed separately to measure the change in efficiencies once SA borders were opened to travellers late December 2021.
- SA Health uses Power Performance Manager from PowerHealth Solutions as its costing system.
- Support for costing practitioners is provided at a local level.
- Processes and methodology are consistent with the prior year. For the 2021-22 submission, the costing system PPM was used to run data reports for use in the NHCDC submission.
- Public Hospital data is used for benchmarking against the NEP, other hospitals in South Australia, monitoring improvement initiatives and forecasting the costs/funding required for future programs. It is used by the

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LHNs to provide detailed information on performance and as a guide to determining where there are potential cost efficiencies.

- LHNs submit data annually to the Health Round Table. This submission is compiled from data within the SA Health costing system, Power Performance Manager.

1.2. Summary of 2021-22 results

- Data was submitted for 21 Hospitals: 11 Metropolitan and 11 Major Country. This was a change of 1 Country Hospital from the 2020-21 submission. Northern Yorke Health Service (Wallaroo) was added to the 2021-22 costing datasets.
- Activity increased (33.0%) at a greater rate than overall costs (12.6%). Much of the movement is explained by low complexity COVID vaccinations, with a 42.2% increase in outpatient activity.

	Activity (Septs)			Costs (\$m)		
	2020-21	2021-22	Change	2020-21	2021-22	Change
Inpatients	423,022	432,666	2.2%	\$2,728	\$3,191	14.5%
Outpatients	2,086,861	3,608,829	42.2%	\$933	\$1,035	9.9%
Emergency	597,695	597,497	0.0%	\$499	\$534	6.5%
All Hospital Activity	3,107,578	4,638,992	33.0%	\$4,160	\$4,760	12.6%
Other	315,571	2,734	-11442.5%	\$487	\$63	-676.0%
Total Submitted	3,423,149	4,641,726	26.3%	\$4,647	\$4,823	3.6%

- The major variance for other activity is Mental Health Community and Residential, this was not submitted in 2021-22. This data is not matched to our ABF submitted activity. SA Health is working to have this fixed for 2022-23.
- The COVID-19 pandemic played a factor in the second half of the financial year once borders were opened. Two distinct periods were costed, July-December, January-June. An increase in the average cost of services between the two periods was mostly due to a reduction in activity from an increase in Covid affected inpatient activity.
- Each costing run is subject to several reconciliations to ensure completeness and reasonableness of the costed data. Each year, SA hold a State-wide review of costed results at site, DRG and outpatient level. All results are reviewed, any significant variances investigated and resolved before submission.

1.3. Compliance to the Australian Hospital Patient Costing Standards

- SA Health adheres to the patient costing standards and costs in accordance with its guidelines and principles. SA Health does not cost private patient pathology at patient level as data matching is not accurate enough to provide adequate costing allocations.
- There are no specific areas of deviation from the AHPCS apart from private patient pathology.

2 Other relevant information

- SA Health has followed the COVID-19 Response – Costing and pricing guidelines in R25 data submissions. Specific COVID-19 cost centres have been established to capture those costs directly attributable to COVID-19. In-scope COVID-19 activity has been captured as per NHFB guidelines and submitted on a quarterly basis and used for costing purposes

Declaration

All data provided by South Australia to the 2021-22 (Round 25) NHCDC has been prepared 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 development of the National Efficient Price.



DR ROBYN LAWRENCE

Chief Executive

26 / 4 / 2023