



## National Efficient Price and National Efficient Cost Determination 2019-20 Online Glossary

### Terms

Words and phrases used in the National Health Reform Agreement (NHRA) or the *National Health Reform Act 2011 (Cth)* (the Act) have the same meaning when used in the Determination, and in addition:

**ABS** refers to the Australian Bureau of Statistics.

**Act** refers to the [National Health Reform Act 2011 \(Cth\)](#).

**Activity based funding (ABF)** is a way of funding hospitals whereby they get paid for the number and mix of patients they treat. ABF arrangements are outlined in the NHRA and the Act.

**Activity based funding activity** means an activity comprising in-scope public hospital services which will be funded by the Commonwealth in the 2019-20 financial year in the manner described at clause A32(c) of the NHRA. ABF activity may take the form of a separation, presentation or service event.

**Acute patient** means a patient recorded as having a care type of 1, 7 or 11 (see [METeOR: 584408](#)).

**Addendum** refers to the [June 2017 Addendum to the NHRA](#).

**Adjustment** means an amount added to, or subtracted from a price weight, in recognition of legitimate and unavoidable variations in the cost of service delivery. The adjustments for 2019-20 are at Chapter 5 of the National Efficient Price (NEP) Determination.

**AN-SNAP** refers to a group within the classification system known as Australian National Subacute and Non-Acute Patient classification version 4.0 (also known as AN-SNAP V4.0).

**AR-DRG** refers to a group within the classification system known as Australian Refined Diagnosis Related Groups version 9.0 (also known as AR-DRG V9.0).

**ASGS** refers to the Australian Statistical Geography Standard, which is the geographical framework used by the Australian Bureau of Statistics.

**Bundled price weight** means the weight assigned to ABF Activity which is priced on a per calendar month basis. A bundled price weight applies for the specified Tier 2 non-admitted classes at Appendix K of the NEP Determination.

**Determination** refers to the NEP Determination or National Efficient Cost (NEC) Determination for 2019-20.

**Dialysis Adjustment** means an adjustment for an Admitted Acute or Admitted Subacute Patient with a specified ICD-10-AM 11<sup>th</sup> edition renal dialysis code who is not assigned to the AR-DRG L61Z Haemodialysis or AR-DRG L68Z Peritoneal Dialysis.

**Emergency Care Age Adjustment** means an adjustment for an Emergency Department Patient, with the rate of adjustment dependant on the person's age.

**Emergency Department** means an area within a hospital matching all of the descriptors applicable to the levels 3B to 6 as described in Attachment 1 of this glossary.

**Emergency Service** means an area within a hospital matching all of the descriptors applicable to the levels 1 to 3A as described in Attachment 1 of this glossary.

**ICD-10-AM 11<sup>th</sup> Edition** means the International Statistical Classification of Diseases and Related Health Problems, Tenth Revision, Australian Modification, 11<sup>th</sup> Edition.

**Indigenous Adjustment** means an adjustment for a person who identifies as being of Aboriginal and/ or Torres Strait Islander origin.

**Inner regional** means an area that is classified as Inner Regional Australia under the Australian Statistical Geography Standard (see [METeOR: 531713](#)).

**Intensive Care Unit (ICU) Adjustment** is an adjustment for ABF activity in respect of a person who has spent time in a Specified ICU as listed at Appendix D of the NEP Determination, except where the activity is a newborn/neonate identified as 'Bundled ICU' in the tables of price weights at Appendix H of the NEP Determination.

**Hospital Acquired Complication (HAC)** refers to a complication which is acquired in hospital for which clinical risk mitigation strategies may reduce (but not necessarily eliminate) the risk of that complication occurring. The complete list of HACs is available in Chapter 6 of the NEP Determination and on the [Australian Commission for Safety and Quality in Healthcare's website](#).

**Multidisciplinary Clinic Adjustment** means an adjustment for a non-admitted service event where three or more health care providers (each of a different specialty) are present, as identified using the non-admitted 'Multiple Health Care Provider Indicator'.

**Multiple health care provider indicator** is an indicator used to identify multiple health care providers for the reporting of non-admitted activity data for ABF (see [METeOR: 652542](#)).

**Multiple health care providers** means three or more health care providers who deliver care either individually or jointly within a non-admitted patient service event. The health care providers may be of the same profession (medical, nursing or allied health). However, they must each have a different specialty so that the care provided by each provider is unique and meets the definition of a non-admitted patient service event.

**National Pricing Model** refers to the methodology underpinning the NEP Determination.

**NEC** means the National Efficient Cost 2019-20, which represents the average cost of a block funded small rural hospital, as set out at Chapter 3 of the NEC Determination.

**NEP** means the National Efficient Price 2019-20, which is based on the average cost of public hospital activity in 2016-17, as set out at Chapter 2 of the NEP Determination.

**NHCDC** refers to the National Hospital Cost Data Collection.

**NHDD** refers to the [National Health Data Dictionary](#).

**NHRA** refers to the [National Health Reform Agreement](#) between the Commonwealth of Australia and the States, dated 2 August 2011.

**NPHEd** refers to the National Public Hospital Establishments Database.

**NWAU(19)** refers to National Weighted Activity Unit 2019-20.

**Other non-admitted patient service** refers to non-admitted patient services classified in the 40 series of classes that meet the criteria set out in Chapter 3 of the NEP Determination.

**Other public hospital programs** include programs which were determined to be eligible for block funding and which were proposed by jurisdictions to support their innovative funding models, as assessed through the IHPA [Annual Review of the General List of In-Scope Public Hospital Services](#) process.

**Outer regional** means an area that is classified as Outer Regional Australia under the Australian Statistical Geography Standard (see [METeOR: 531713](#)).

**Paediatric Adjustment** means an adjustment for a admitted acute patient who is up to and including the age of 17 years and is admitted to a Specialist Children's Hospital.

**Patient Residential Remoteness Area Adjustment – Outer Regional** means an adjustment for a person whose residential address is within an area that is classified as being *Outer Regional* under the Australian Statistical Geography Standard.

**Patient Residential Remoteness Area Adjustment – Remote Area** means an adjustment for a person whose address is within an area that is classified as *Remote* under the Australian Statistical Geography Standard.

**Patient Residential Remoteness Area Adjustment – Very Remote Area** means an adjustment for a person whose address is within an area that is classified as *Very Remote* under the Australian Statistical Geography Standard.

**Patient Treatment Remoteness Area Adjustment – Remote Area** means an adjustment for a person who receives care in a hospital which is within an area that is classified as being *Remote* under the Australian Statistical Geography Standard.

**Patient Treatment Remoteness Area Adjustment – Very Remote Area** means an adjustment for a person who receives care in a hospital which is within an area that is classified as being *Very Remote* under the Australian Statistical Geography Standard.

**Presentation** refers to "Patient presentation at Emergency Department" as referred to in the National Health Data Dictionary.

**Price weight** means the weight assigned to an ABF Activity as set out in Appendices H – M of the NEP Determination.

**Private Patient Accommodation Adjustment** means an adjustment for eligible Admitted Private Patients as described at Chapter 5 of the NEP Determination, the rates for which are set out at Appendix F.

**Private Patient Service Adjustment** means an adjustment for eligible Admitted Private Patients as described at Chapter 5 of the NEP Determination, the rates for which are set out at Appendix F and H.

**Radiotherapy Adjustment** means an adjustment for an Admitted Acute or Admitted Subacute Patient with a specified ICD-10-AM 11<sup>th</sup> edition radiotherapy procedure code recorded in their medical record (refer to Appendices B of the NEP Determination for valid ICD-10-AM 11<sup>th</sup> edition codes).

**Remote** means an area that is classified as Remote Australia under the Australian Statistical Geography Standard (see [METeOR: 531713](#)).

**Sentinel event** is a subset of adverse events that result in death or serious harm to the patient. The national set of sentinel events agreed to by Australian Health Ministers is set out in Chapter 6 of the NEP Determination.

**Separation** is the process by which an episode of care for an admitted patient ceases (see [National Health Data Dictionary](#)).

**Service event** is an interaction between one or more healthcare providers(s) with one non-admitted patient, which must contain therapeutic/clinical content and result in a dated entry in the patient's medical record.

**Specialised Children's Hospital** refers to the list of public hospitals at Appendix E of the NEP Determination.

**Specialist outpatient clinic service** comprises all classes in the 10, 20 and 30 series in the Tier 2 Non-Admitted Services classification, with the exception of the classes considered out of scope for Commonwealth funding as a public hospital service at Appendix K of the NEP Determination.

**Specialist Psychiatric Age Adjustment** means an adjustment for a patient who has one or more psychiatric care days during their admission, the rate of adjustment dependent on the patient's age and whether or not they have a mental health related primary diagnosis.

**Specified Intensive Care Units (ICU)** are Intensive Care Units that are eligible for the Intensive Care Unit Adjustment and are at Appendix D of the NEP Determination.

**Subacute patient** means a patient recorded as having a care type of 2, 3, 4, 5, 6 and 88 (see [METeOR: 584408](#)).

**Tier 2 non-admitted service** refers to a group within the classification system known as Tier 2 Non-Admitted Services version 5.0.

**Total psychiatric care days** are the sum of the number of days or part days of stay that the person received care as an admitted patient or resident within a designated psychiatric unit, minus the sum of leave days occurring during the stay within the designated unit (see [METeOR: 552375](#)).

**UDG** refers to a group within the classification system known as Urgency Disposition Groups version 1.3 (also known as UDG V1.3).

**URG** refers to a group within the classification system known as Urgency Related Groups version 1.4 (also known as URG V1.4).

**Very remote** means an area that is classified as Very Remote Australia or migratory under the Australian Statistical Geography Standard (see [METeOR: 531713](#)).

## Interpretation

In the Determination, unless the contrary intention appears:

- (a) “includes” means “includes without limitation”;
- (b) a reference to a statute or other legislation (whether primary or subordinate) or to the NHDD is a reference to that statute or other legislation or the NHDD as amended from time to time; and
- (c) a reference to “\$” or “dollars” is a reference to Australian currency.

## Attachment 1 – Emergency Departments

Level	Description	
1	Services:	Able to provide first aid and treatment prior to referral to a facility able to provide a higher level of service, if necessary.
	Staffing:	Access to a medical practitioner – this may be by telephone.
	Location:	N/A
2	Services:	As for Level 1. Can cope with minor injuries and ailments. Resuscitation and limited stabilisation capacity prior to referral to a facility able to provide a higher level of service.
	Staffing:	As for Level 1 (medical). Nursing staff from ward available to cover emergency presentations. Visiting medical officer (includes general practitioner) on call.
	Location:	Emergency service in a small hospital.
3A	Services:	As for Level 2
	Staffing:	As for Level 2. Designated emergency department nursing staff available 24 hours a day and nursing unit manager. Medical staff available for recall to the hospital within 20 minutes, 24 hours a day. Specialists appropriate to the role delineation of the hospital available for consultation, plus arrangements in place for other specialties. Access to allied health professionals. Specialist psychiatric/mental health assessment personnel available for consultation.
	Location:	Purpose designed area, with full resuscitation facilities in separate area such as a cubicle.
3B	Services:	As for Level 3A
	Staffing:	As for Level 2. Designated emergency department nursing staff available 24 hours a day and nursing unit manager. Medical staff available in the hospital 24 hours a day (though may have other commitments in the hospital). Specialists appropriate to the role delineation of the hospital available for consultation, plus arrangements in place for other specialties. Access to allied health professionals. Specialist psychiatric/mental health assessment personnel available for consultation.
	Location:	As for Level 3A

<b>Level</b>	<b>Description</b>	
4	Services:	Can manage most emergencies. Participation in regional adult retrieval system (rural base hospitals). As for Level 3B.
	Staffing:	Registered nurses with emergency nursing experience or qualifications on site 24 hours a day. Emergency department-specific medical officer(s) on site 24 hours a day. Emergency department medical director.
	Location:	As for Level 3B
5	Services:	As for Level 4. Has undergraduate and postgraduate teaching and a research program.
	Staffing:	As for Level 4. Access to clinical nurse consultant or similar. Has designated emergency department registrars on site 24 hours a day. Sub-specialists available on rosters.
	Location:	As for Level 4
6	Services:	As for Level 5. Can manage all emergencies and provide definitive care. State-wide referral role and/or major trauma centre.
	Staffing:	As for Level 5
	Location:	As for Level 5