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PRIVATE HOSPITALS

AUSTRALIA

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INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070.

NOTES

ABOUT THIS PUBLICATION

This publication presents details from the 2006–07 national census of private hospitals. Three categories of hospitals are identified: Acute hospitals, Psychiatric hospitals and Free-standing day hospital facilities.

There are relatively few psychiatric hospitals and some of these are owned by the same parent company. To maintain the confidentiality of their data, psychiatric hospitals are combined with acute hospitals in most tables in this publication. Any differences between the data presented in this publication and the data shown in other reports on private hospital activity are due to differences in scope and coverage, relative completeness of the data sources and differing error resolution procedures.

FUTURE ISSUES

The Private Hospital Establishments collection will not be conducted for the 2007–08 reference period. It is anticipated that the next collection will be for the 2008–09 reference period, to be released in 2010. Further information will be available on the ABS website <www.abs.gov.au>.

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ABBREVIATIONS

ABS	Australian Bureau of Statistics
ACHS	Australian Council on Healthcare Standards
ACT	Australian Capital Territory
AIHW	Australian Institute of Health and Welfare
AR-DRG	Australian Refined Diagnosis Related Groups
ICD-10-AM	International Statistical Classification of Diseases and Related Health Problems, 10th Revision, Australian Modification
ISO	International Organization for Standardization
nec	not elsewhere classified
NSW	New South Wales
NT	Northern Territory
PHEC	Private Health Establishments Collection
Qld	Queensland
SA	South Australia
Tas.	Tasmania
Vic.	Victoria
WA	Western Australia

Brian Pink
Australian Statistician

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CHAPTER 1

PRIVATE HOSPITALS

INTRODUCTION

This publication presents data for the private hospital sector in 2006–07. Comparable data for public hospitals are available in Australian Hospital Statistics 2005–06, produced by the Australian Institute of Health and Welfare (AIHW).

HOSPITALS

There were 557 private hospitals operating in Australia in 2006–07 compared with 547 in 2005–06. This represents an overall increase of 1.8% in the total number of private hospitals, the net effect of a decrease of two Acute and psychiatric hospitals and an increase of 12 Free standing day hospitals.

The number of available beds and chairs increased 1.7% from 26,227 in 2005–06 to 26,678 in 2006–07. The number of beds and chairs in Acute and psychiatric hospitals increased 1.3% and those in Free-standing day hospitals increased 6.5%.

Total patient separations increased by 4.3% (2.9m in 2005–06 to 3.1m in 2006–07).

Private hospitals provided 7.7m days of hospitalisation to patients in 2006–07, up 2.6% on 2005–06.

Staff numbers decreased by 1.8% to 49,096 people (full-time equivalent).

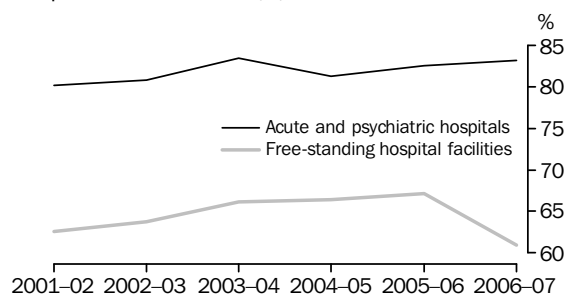
PATIENT CHARACTERISTICS

Sex and Age

In 2006–07, the demographic profile of private hospital patients has changed very little from the previous year. Females accounted for 55% of all patient separations, and people aged 65 and over accounted for 35% of all patient separations. Based on the estimated resident population for 31 December, 2006, there were 152.1 patient separations per 1,000 population for females and 125.9 patient separations per 1,000 population for males.

Insurance

The proportion of patient separations reported as being covered by private hospital insurance remained relatively stable for all private hospitals at 79%. Patient separations reported as being covered by private hospital insurance in private Acute and psychiatric hospitals increased by 0.6 percentage points over the year, while for Free-standing day hospitals there was a decrease of 6.3 percentage points.

*Insurance continued***ALL PRIVATE HOSPITALS, Separations of patients with private hospital insurance (a)**

(a) For definition of insurance status see Glossary.

Procedures performed

The total number of procedures decreased by 3.0% from 6.5 million in 2005–06 to 6.3 million in 2006–07. Of these procedures, 5.0 million were performed in Acute and psychiatric hospitals and the remainder in Free-standing day hospitals.

The greatest proportion of procedures were in the category Non-invasive, cognitive and other interventions nec (45%), followed by Procedures on the digestive system (11%). Examples of Non-invasive, cognitive and other interventions are services such as dietary education and exercise therapy (often used for development of treatment plans, programs, case reviews or follow up to previous procedures performed). For further details of the classification refer to Volume 3 International Statistical Classification of Diseases and Related Health Problems, 10th Revision-Australian Modification (ICD-10-AM).

Similar patterns were reflected in both Acute and psychiatric and Free-standing day hospitals. For Acute and psychiatric hospitals, Non-invasive, cognitive and other interventions nec accounted for 48% of all procedures performed in 2006–07, up from 47% in the previous year. The next most common procedures in Acute and psychiatric hospitals were on the Digestive system (9.8%), the Musculoskeletal system (6.0%) and Dental services (4.3%). For Free-standing day hospitals, Non-invasive, cognitive and other interventions nec accounted for the highest proportion of all procedures performed on patients in 2006–07 at 33%. This is followed by Procedures on the digestive system (18%), Dental services (8.4%) and Procedures on the eye and adnexa (7.7%).

The most common principle diagnosis for patient separations from all private hospitals was Factors influencing health status and contact with health services (21%). This relates to occasions when circumstances other than a disease, injury or external cause are recorded as 'diagnoses' or 'problems' (see Glossary). The second most common principle diagnosis for all patient separations was Diseases of the digestive system (14%). Comparatively in 2005–06, Factors influencing health status and contact with health services represented 21% of patient separations and Diseases of the digestive system represented 16% of all patient separations.

Mode of Patient Separation

The majority of all patients (92%) were discharged to their place of usual residence in 2006–07. Patient separations discharged to usual residence remained relatively stable for Private acute and psychiatric hospitals and decreased by 2.6% for Free-standing day hospitals since 2005–06. A further 1.7% were discharged to another hospital, and 0.5% died during their stay in hospital.

INCOME & EXPENDITURE

Patient activity continued to grow, with income totalling \$7,539.4m in 2006–07, up from \$7,001.1m in 2005–06. Total income from private Acute and psychiatric hospitals was \$7,082.5m which accounted for 94% of all private hospital income.

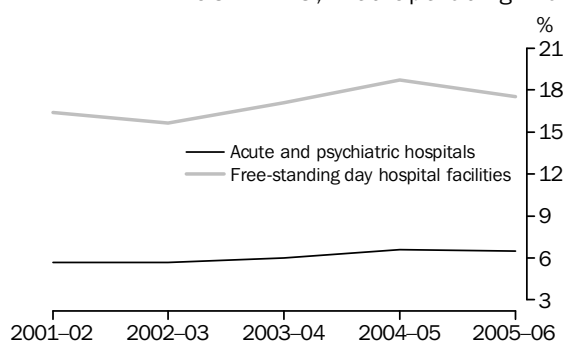
Total recurrent expenditure for all private hospitals increased by 7.2% to \$6,966.7m in 2006–07 from \$6,497.9m in 2005–06. For Acute and psychiatric hospitals, the proportion of wages and salaries attributed to recurrent expenses remained steady at 52% in 2006–07, and for Free-standing day hospitals was relatively consistent with 2005–06 at 40%.

The private hospital sector invested \$474.9m in building and other capital assets in 2006–07, with Acute and psychiatric hospitals increasing investment from \$370.1m in 2005–06 to \$439.7m in 2006–07. Free-standing day hospitals doubled investment from \$17.2m in 2005–06 to \$35.2m in 2006–07.

NET OPERATING MARGIN

Net operating margin is derived by subtracting recurrent expenditure from income and expressing the result as a proportion of income. The net operating margin for Acute and psychiatric hospitals during 2006–07 was 7.1%, up from 6.5% in 2005–06. The net operating margin for Free-standing day hospital facilities was higher at 16%. This was lower than the previous year's net operating margin of 18%.

ALL PRIVATE HOSPITALS, Net Operating Margin



ACCREDITATION

Hospital accreditation has been identified as an indicator of capability within the National Health Performance Framework (for further information refer to *Australian Hospitals 2005–06*, produced by Australian Institute of Health and Welfare (AIHW)). As at the 30 June 2007, the main organisations used by hospitals to obtain accreditation were Australian Council on Healthcare Standards (ACHS) (used by 369 hospitals) and Benchmark Certification (used by 70 hospitals).

1.1 PRIVATE HOSPITALS, Summary —2006–07

	<i>Acute and psychiatric hospitals</i>	<i>Free-standing day hospital facilities</i>	<i>All private hospitals</i>
Hospitals (no.)			
New South Wales	85	90	175
Victoria	82	73	155
Queensland	57	52	109
South Australia	30	24	54
Western Australia	23	17	40
Tasmania, Northern Territory and Australian Capital Territory(a)	12	12	24
Australia	289	268	557
Beds/chairs (no.)(b)	24 427	2 251	26 678
Separations ('000)	2 420	631	3 051
Sex ('000)(c)			
Males	1 063	241	1 304
Females	1 272	321	1 594
Aged 65 and over (%)	35	31	35
Patient days ('000)			
Same-day patients(d)	1 323	631	1 955
Overnight-stay patients	5 714	. .	5 714
Total	7 037	631	7 669
Operating theatres	979	264	1 243
Staff (no.)(e)	46 718	2 385	49 103
Income			
Total (\$'000)(f)	7 082 477	456 937	7 539 414
Patient revenue (%) (g)	96	96	96
Recurrent expenditure(h)			
Total (\$'000)	6 581 711	384 986	6 966 696
Wages and salaries, including on-costs (%)	52	40	51
Gross capital expenditure (\$'000)(i)	439 718	35 225	474 944

. . . not applicable

(a) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(b) Available beds/chairs (average for the year).

(c) Excludes patients with sex not stated, therefore sum will not add to total separations.

(d) Same-day patients are counted as having a stay of one day.

(e) Staff numbers represented are full-time equivalent (average for the year). Full-time equivalent represents the sum of full-time staff and full-time equivalent of part-time staff. See Glossary for further details.

(f) Income includes patient revenue, recoveries and other revenue such as investment income and income from charities, bequests, meals and accommodation but excludes revenue payments from state and territory governments. See Glossary for further information.

(g) Includes revenue received by, and due to, the hospital in respect of patient liability for accommodation and other fees. See Glossary for more information.

(h) Recurrent expenditure refers to expenditure on goods and services, which does not result in the creation or acquisition of fixed assets (new or second-hand). See Glossary for more information.

(i) Gross capital expenditure refers to expenditure in a period on the acquisition or enhancement of an asset (excluding financial assets). See Glossary for further information.

1.2**PRIVATE HOSPITALS, Separations—Patient insurance status(a)—Selected years.**

2002-03 2003-04 2004-05 2005-06 2006-07

ACUTE AND PSYCHIATRIC HOSPITALS (%)

Hospital insurance	80.8	83.4	81.2	82.5	83.1
No hospital insurance	15.4	15.0	14.9	14.3	11.8
Total (b)	100.0	100.0	100.0	100.0	100.0

FREE-STANDING DAY HOSPITAL FACILITIES (%)

Hospital insurance	63.8	66.1	66.4	67.1	60.8
No hospital insurance	30.6	31.2	28.0	28.1	20.3
Total (b)	100.0	100.0	100.0	100.0	100.0

ALL PRIVATE HOSPITALS (%)

Hospital insurance	77.7	80.1	78.3	79.4	78.5
No hospital insurance	18.2	18.0	17.5	17.0	13.6
Total (b)	100.0	100.0	100.0	100.0	100.0

ALL PATIENT SEPARATIONS ('000)

Acute and psychiatric hospitals	2 130.4	2 182.4	2 238.4	2 344.9	2 419.5
Free-standing day hospital facilities	471.7	505.6	537.5	579.9	631.3
All private hospitals	2 602.1	2 688.0	2 775.9	2 924.8	3 050.8

(a) For definition of patient insurance status, see Glossary.

(b) Total includes not stated or unknown.

1.3 PRIVATE HOSPITALS, Separations—Patient age and sex—2006–07

	ACUTE AND PSYCHIATRIC HOSPITALS			FREE-STANDING DAY HOSPITAL FACILITIES			ALL PRIVATE HOSPITALS		
	Males	Females	Persons	Males	Females	Persons	Males	Females	Persons
.....									
PROPORTION (%) (a)									
Age group (years)									
0–4	2.7	1.5	2.0	1.3	0.5	0.9	2.5	1.3	1.8
5–14	2.2	1.5	1.8	1.5	1.2	1.3	2.0	1.4	1.7
15–24	5.2	5.9	5.6	4.4	9.9	7.6	5.0	6.7	5.9
25–34	5.3	12.1	9.0	5.7	12.7	9.7	5.3	12.2	9.1
35–44	8.7	14.1	11.7	9.8	14.9	12.7	8.9	14.3	11.9
45–54	13.4	15.2	14.4	14.5	13.8	14.1	13.6	14.9	14.3
55–64	21.3	16.9	18.9	20.5	16.9	18.4	21.2	16.9	18.8
65–74	18.2	13.6	15.7	20.7	14.8	17.4	18.7	13.8	16.0
75–84	17.4	14.0	15.6	17.3	12.4	14.5	17.4	13.7	15.4
85 and over	5.6	5.2	5.4	4.2	2.8	3.4	5.4	4.8	5.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Proportion of persons	45.5	54.5	100.0	42.9	57.1	100.0	45.0	55.0	100.0
.....									
NUMBER ('000) (b)									
All separations	1 063.2	1 272.4	2 419.5	241.1	321.3	631.3	1 304.3	1 593.7	3 050.8

(a) Proportions are based on total separations, excluding where age and sex are not stated.

(b) Sum of males and females will not add to total separations as separations include sex not stated.

1.4 PRIVATE HOSPITALS, Separations—Principal diagnosis of patient(a)—2006–07 ..

	<i>Acute and psychiatric hospitals</i>	<i>Free-standing day hospital facilities</i>	<i>All private hospitals</i>
PROPORTION (%)			
Certain infectious and parasitic diseases	0.5	0.1	0.4
Neoplasms	8.8	8.4	8.7
Diseases of the blood and blood forming organs	0.9	1.1	1.0
Endocrine, nutritional and metabolic diseases	1.7	1.5	1.6
Mental and behavioural disorders	5.3	0.1	4.3
Diseases of			
Nervous system	2.7	0.6	2.3
Eye and adnexa	2.7	12.3	4.7
Ear and mastoid process	0.8	0.5	0.8
Circulatory system	5.9	2.2	5.1
Respiratory system	3.2	0.5	2.6
Digestive system	13.1	19.7	14.4
Skin and subcutaneous tissue	1.3	1.4	1.3
Musculoskeletal system and connective tissue	9.4	2.4	7.9
Genitourinary system	6.3	2.0	5.4
Pregnancy, childbirth and the puerperium	4.4	6.1	4.8
Certain conditions originating in the perinatal period	0.4	—	0.3
Congenital malformations, deformations, and chromosomal abnormalities	0.4	0.2	0.3
Symptoms, signs, and abnormal clinical and laboratory findings	5.0	4.9	5.0
Injury, poisoning and certain other consequences of external causes	3.8	0.7	3.2
Factors influencing health status and contact with health services	19.9	24.3	20.8
Total(b)	100.0	100.0	100.0
NUMBER ('000)			
Separations	2 419.5	631.3	3 050.8

— nil or rounded to zero (including null cells)

(a) Based on the International Statistical Classification of Diseases and Related Health Problems, 10th Revision-Australia Modification (ICD-10-AM). See Explanatory Notes, paragraph 11.

(b) The total may be greater than the sum of its components as it includes separations where diagnosis was not available.

1.5**PRIVATE HOSPITALS, Procedures(a)—2006–07**

	<i>Acute and psychiatric hospitals</i>	<i>Free-standing day hospital facilities</i>	<i>All private hospitals</i>
PROPORTION (%)			
Procedures on			
Nervous system	1.8	1.2	1.7
Endocrine system	np	np	0.1
Eye and adnexa	1.3	7.7	2.6
Ear and mastoid process	0.4	0.3	0.4
Nose, mouth and pharynx	1.8	1.1	1.6
Dental services	4.3	8.4	5.1
Procedures on			
Respiratory system	0.6	0.1	0.5
Cardiovascular system	4.0	1.0	3.4
Blood and blood-forming organs	0.3	0.1	0.3
Digestive system	9.8	17.6	11.3
Urinary system	3.8	4.5	4.0
Male genital organs	0.9	0.5	0.8
Gynaecological procedures	3.3	5.8	3.8
Obstetric procedures	np	np	2.1
Procedures of musculoskeletal system	6.0	1.5	5.1
Dermatological and plastic procedures	4.0	6.4	4.5
Procedures on breast	0.6	0.3	0.6
Chemotherapeutic and radiation oncology procedures	0.1	—	—
Non-invasive, cognitive and interventions n.e.c.	48.4	33.3	45.4
Imaging services	3.2	0.1	2.6
Total procedures^(b)	100.0	100.0	100.0

NUMBER ('000)

Total procedures	5 028.1	1 281.6	6 309.6
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— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Based on the International Statistical Classification of Diseases and Related Health Problems, 10th Revision-Australia Modification (ICD-10-AM). See Explanatory Notes, paragraph 11.

(b) The total may be greater than the sum of its components as it includes separations where type of procedure was not available.

1.6**PRIVATE HOSPITALS, Mode of patient separation—2006–07**

	DISCHARGE OR TRANSFER TO			OTHER			Total separations(d)
	Usual residence(a)	Residential aged care(b)	Other hospital	Died	Left against advice	Other(c)	
	'000	'000	'000	'000	'000	'000	'000
ACUTE AND PSYCHIATRIC HOSPITALS							
New South Wales	593.8	1.4	12.1	2.3	0.5	2.8	614.7
Victoria	570.0	2.1	13.8	3.0	0.6	2.3	627.3
Queensland	537.7	1.2	7.1	4.8	0.2	4.8	573.6
South Australia	185.8	1.2	4.4	1.3	—	0.4	193.3
Western Australia	283.6	2.2	3.9	2.5	0.2	1.0	305.0
Tasmania, Northern Territory and Australian Capital Territory(e)	86.7	0.2	0.9	0.3	—	0.4	105.6
Australia	2 257.7	8.3	42.1	14.3	1.5	11.7	2 419.5
FREE-STANDING DAY HOSPITAL FACILITIES							
Australia	552.8	—	9.0	—	—	—	631.3
ALL PRIVATE HOSPITALS							
Australia(d)	2 810.5	8.3	51.1	14.3	1.6	11.7	3 050.8

— nil or rounded to zero (including null cells)

(a) Defined as own accommodation/welfare institution (includes prisons, hostels and group homes primarily providing welfare services).

(b) Unless this is the usual place of residence.

(c) Including discharge or transfer to other health care accommodation, statistical discharge and not stated. For definition of statistical discharge, see Glossary.

(d) Figures have been rounded and discrepancies may occur between totals and the sums of the component items

(e) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

1.7 PRIVATE HOSPITALS, Accreditation/Certification status(a)—States and Territories—2006–07

	ACHS(b)		BENCHMARK CERTIFICATION		OTHER(c)		All private hospitals
	Accredited hospitals	Non-accredited hospitals	Accredited hospitals	Non-accredited hospitals	Accredited hospitals	Non-accredited hospitals	
	no.	no.	no.	no.	no.	no.	no.
ACUTE AND PSYCHIATRIC HOSPITALS							
New South Wales	59	26	7	78	24	61	85
Victoria	70	12	6	76	9	73	82
Queensland	52	5	np	np	8	49	57
South Australia	25	5	np	np	6	24	30
Western Australia	19	4	—	23	np	np	23
Tasmania, Northern Territory and Australian Capital Territory(d)	12	—	—	12	np	np	12
Australia	237	52	16	273	52	237	289
FREE-STANDING DAY HOSPITAL FACILITIES							
New South Wales	45	45	23	67	28	62	90
Victoria	26	47	12	61	33	40	73
Queensland	31	21	13	39	20	32	52
South Australia	15	9	—	24	8	16	24
Western Australia	9	8	np	np	4	13	17
Tasmania, Northern Territory and Australian Capital Territory(d)	6	6	np	np	5	7	12
Australia	132	136	54	214	98	170	268
ALL PRIVATE HOSPITALS							
New South Wales	104	71	30	145	52	123	175
Victoria	96	59	18	137	42	113	155
Queensland	83	26	15	94	28	81	109
South Australia	40	14	np	np	14	40	54
Western Australia	28	12	4	36	8	32	40
Tasmania, Northern Territory and Australian Capital Territory(d)	18	6	np	np	6	18	24
Australia	369	188	70	487	150	407	557

— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) As at 30 June 2007.

(b) Accredited by the Australian Council on Healthcare Standards (2004).

(c) Accreditation or certification with other body. For definition see accredited/certified hospitals in Glossary.

(d) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

CHAPTER 2

PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS . . .

HOSPITALS

The number of private Acute and psychiatric hospitals decreased in 2006–07 to 289, down by 2 hospitals compared to 2005–06 (291).

BEDS

The average number of beds available in Acute and psychiatric hospitals during 2006–07 was 24,427, 1.0% higher than in 2005–06 when there were 24,113 available.

Acute and psychiatric hospitals operated by religious or charitable institutions provided 42% (10,246) of available beds during 2006–07. Of these, 77% (7,884) were located within capital cities. Acute and psychiatric hospitals operated by religious or charitable institutions were more likely to be larger, in terms of number of beds, accounting for only 19% of the 125 hospitals with up to 50 beds, whereas they accounted for 42% of hospitals with 101–200 beds, and 59% of hospitals with over 200 beds.

Capital City Statistical Divisions accounted for 74% of all available beds in Acute and psychiatric hospitals in Australia, while 64% of Australia's population lived in these areas (see ABS cat. no. 3218.0). There was an increase in the average number of beds available in the capital cities by 410 beds, and a decrease of the average number of beds in regional Australia by 96 beds, over the 12 months to 2006–07.

The occupancy rate in Acute and psychiatric hospitals was 79%, compared with 78% in 2005–06. The occupancy rate was higher in hospitals located in the Capital City Statistical Divisions (81%), compared with 72% in the rest of Australia.

PATIENT SEPARATIONS

In 2006–07, there were 2.4 million patient separations from Acute and psychiatric hospitals, an increase of 3.2% since 2005–06. The average annual increase in patient separations since 2001–02 was 2.7%. During 2006–07, 7.0 million patient days were provided in Acute and psychiatric hospitals, up by 2.1% from 2005–06.

Same day patient separations from Acute and psychiatric hospitals accounted for 55% of all patient separations (1.3 million) in 2006–07, with the remaining 1.1 million separations relating to overnight-stay patients.

The average length of stay for all patients (same-day and overnight-stay) in Acute and psychiatric hospitals remained at 2.9 days in 2006–07 from 2005–06. For overnight-stay patients only, the average length of stay remained at 5.2 days in 2006–07 from 2005–06.

PATIENT CHARACTERISTICS

Insurance status

During 2006–07, 83% of patient separations from Acute and psychiatric hospitals carried hospital insurance. While this is the same proportion as in 2005–06, the proportion of patients with hospital insurance has been steadily increasing over the past five years from 81% in 2002–03.

HOSPITAL CHARACTERISTICS

In 2006–07, there were 197 Acute and psychiatric hospitals with operating theatres. In these hospitals there was a total of 1,169 operating theatres, 36% were located in Queensland, 25% in New South Wales, and 19% in Victoria. The average number of sessions per operating theatre per week was 5.5 with an average of 33.4 hours of theatre time used.

There were 188 dedicated day surgery units in Acute and psychiatric hospitals in 2006–07. Of these 72% are located in New South Wales (20%), Victoria (26%) and Queensland (43%). Per theatre per week, the average number of sessions was 5.2, and the average theatre time used was 19.6 hours.

In 2006–07, there were 47 Acute and psychiatric hospitals in Australia with accident and emergency services. Among the states, Victoria had the largest number of hospitals with accident and emergency services (15), followed by Queensland (13).

Over 2006–07 there were 1.8 million occasions of service in non-admitted patients services in Private Hospitals in Australia. Of these the most common services provided were Accident and emergency (453,600 occasions of service), Pathology (337,300) and Allied health services (427,500).

STAFF

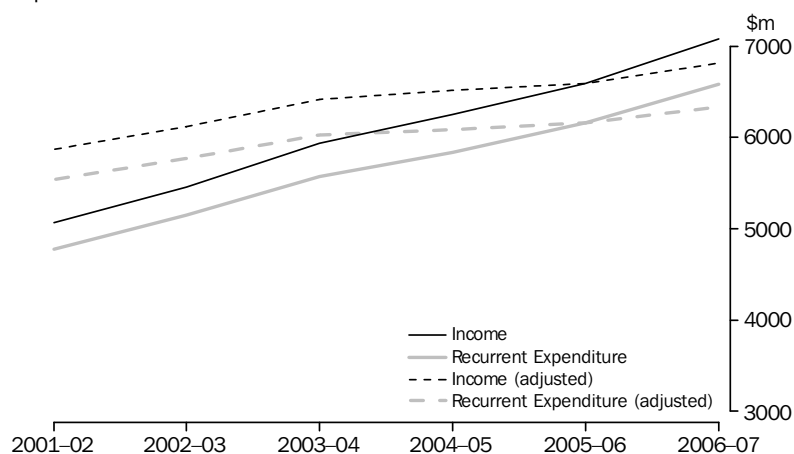
The number of full-time equivalent staff employed at Acute and psychiatric hospitals in Australia during 2006–07 was 46,718, a decrease of 2.2% over the previous year (47,770). Nursing staff (27,801) accounted for 60% of total staff, and averaged 1.4 per occupied bed in 2006–07. Salaried medical officers and other diagnostic professionals accounted for 6.6% of total staff, and Administrative and clerical staff 16%.

INCOME

Income received by Acute and psychiatric hospitals in Australia during 2006–07 amounted to \$7,083m, an increase of 7.5% over the previous year. Over the five years to 2006–07, the average annual increase in income was 5.4%. Patient revenue accounted for 96% of all income generated by Acute and psychiatric hospitals in 2006–07.

When income is adjusted to remove the effects of price changes over the period, the average annual increase over the five years to 2006–07 was 3.0%. For further information on the use of chain volume measures to adjust income and expenditure, see Explanatory Notes paragraph 20.

ACUTE AND PSYCHIATRIC PRIVATE HOSPITALS, Income and expenditure



EXPENDITURE

Recurrent expenditure for Acute and psychiatric hospitals during 2006–07 amounted to \$6,581m, a 6.9% increase over the previous year. Over the five years to 2006–07, the average annual increase in recurrent expenditure was 6.6%.

When recurrent expenditure is adjusted to remove the effects of price changes over the period, the average annual increase over the five years to 2006–07 was 2.7%. For further information on the use of chain volume measures to adjust income and expenditure, see Explanatory Notes paragraph 20.

Wages and salaries (including on-costs such as employer contributions to superannuation and payroll tax) represented 52% of recurrent expenditure in 2006–07, the same proportion as in the previous year. The next largest component of recurrent expenditure was Drug, medical and surgical supplies, which accounted for 27% of the total.

The average expenditure per patient day was \$935 in 2006–07 compared with \$894 in 2005–06. These average costs have increased from \$763 in 2002–03. In adjusted terms (See Explanatory Notes paragraph 20), the average expenditure per patient day was \$900 compared with \$894 in 2005–06. Over the past five years the average increase in expenditure per patient day in adjusted terms is 2%.

The average cost per patient day is higher as hospital size increases. This is a reflection of the greater complexity of procedures undertaken at the larger hospitals. The more complex procedures necessitate greater use of highly trained staff, expensive equipment, drugs and medical supplies. In 2006–07, recurrent expenditure per patient day (unadjusted) at Acute and psychiatric hospitals with over 200 beds was \$1,085, compared with the average of \$704 for hospitals with 25 or fewer beds.

There are also considerable differences in the average recurrent expenditure per patient day according to For Profit/not for profit sector. Religious or charitable hospitals had the highest average costs per patient day (\$1,054) in 2006–07. Other non-profit hospitals and hospitals operated for profit had lower average costs per patient day (\$801 and \$854 respectively).

Gross capital expenditure for Acute and psychiatric hospitals during 2006–07 increased by 19% over the previous year to \$440m and represented 6.2% of the total income for the year. Capital expenditure is volatile in the Private Health sector due to the exceptional nature of such expenditure. Significant purchases or construction undertaken in any given year are unlikely to be repeated for some time.

2.1**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Summary—Selected years**

	1996-97	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Hospitals (no.)							
New South Wales	87	87	85	85	82	85	85
Victoria	101	84	84	81	81	83	82
Queensland	50	56	55	54	54	56	57
South Australia	41	32	32	32	31	31	30
Western Australia	27	29	27	25	24	24	23
Tasmania, Northern Territory and Australian Capital Territory(a)	13	13	13	14	13	12	12
Australia	319	301	296	291	285	291	289
Beds (no.)(b)							
Capital City Statistical Divisions	17 014	18 119	18 034	17 995	17 916	17 685	18 095
Rest of Australia	5 952	6 629	6 420	6 647	6 430	6 428	6 332
Total	22 966	24 748	24 454	24 642	24 346	24 113	24 427
Separations ('000)							
Same-day patients	676	1 092	1 104	1 126	1 209	1 269	1 323
Overnight-stay patients	864	1 026	1 026	1 056	1 030	1 076	1 096
Total(c)	1 539	2 118	2 130	2 182	2 238	2 345	2 420
Patient days ('000)							
Same-day patients(d)	676	1 092	1 104	1 126	1 209	1 269	1 323
Overnight-stay patients	5 178	5 703	5 644	5 697	5 590	5 624	5 714
Total(c)	5 854	6 794	6 748	6 823	6 799	6 893	7 037
Average length of stay (days)							
Overnight-stay patients	6.0	5.6	5.5	5.4	5.4	5.2	5.2
All patients	3.8	3.2	3.2	3.1	3.0	2.9	2.9
Bed occupancy rate (%) (e)							
Overnight-stay patients	62	63	63	63	63	64	64
All patients	70	75	76	76	77	78	79
Staff (no.)(f)	40 908	46 709	45 556	46 539	46 458	47 770	46 718
Income(g)							
Total (\$'000)	3 374 271	5 065 971	5 456 451	5 932 744	6 248 507	6 591 077	7 082 477
Patient revenue (%) (h)	93.7	94.5	95.4	95.6	95.0	95.6	96.2
Recurrent expenditure(i)							
Total (\$'000)	3 087 710	4 776 566	5 147 409	5 576 246	5 838 895	6 159 509	6 581 711
Wages and salaries, including on-costs (%)	59.2	54.7	52.6	51.5	51.1	51.8	51.7
Per patient day (\$)	527	703	763	817	859	894	935
Gross capital expenditure (\$'000)(j)	307 159	446 990	290 291	308 806	309 281	370 132	439 718

(a) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(b) Available beds/chairs (average for the year).

(c) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

(d) Same-day patients are counted as having a stay of one day.

(e) Calculated by dividing patient days by the product of average number of beds and the number of days in the year and expressed as a percentage. See Glossary for more information.

(f) Full-time equivalent (average for the year).

(g) Income includes patient revenue, recoveries and other revenue such as investment income and income from charities, bequests, meals and accommodation but excludes revenue payments from state and territory governments. See Glossary for more information.

(h) Includes revenue received by, and due to, the hospital in respect of patient liability for accommodation and other fees. See Glossary for more information.

(i) Recurrent expenditure refers to expenditure on goods and services, which does not result in the creation or acquisition of fixed assets (new or second-hand). See Glossary for further definition.

(j) Gross capital expenditure refers to expenditure in a period on the acquisition or enhancement of an asset (excluding financial assets). See Glossary for further definition.

2.2**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Numbers and beds—States and territories—2006–07**

	NSW	Vic.	Qld	SA	WA	Tas., NT and ACT(a)	Australia
HOSPITALS (no.)							
Type							
Acute	76	76	53	np	np	np	264
Psychiatric	9	6	4	np	np	np	25
Total acute and psychiatric	85	82	57	30	23	12	289
Location							
Capital City Statistical Division	57	61	21	21	17	8	185
Rest of state/territory	28	21	36	9	6	4	104
Hospital size(b)							
0–25 beds	9	17	12	np	5	np	53
26–50 beds	26	20	10	8	5	3	72
51–100 beds	32	24	16	7	3	5	87
101–200 beds	15	16	12	np	6	np	55
Over 200 beds	3	5	7	np	4	np	22
BEDS (no.)							
Available beds(c)							
Acute hospitals	5 859	6 178	5 408	np	np	np	22 873
Psychiatric hospitals	537	432	279	np	np	np	1 554
Total beds	6 396	6 610	5 687	1 878	2 795	1 061	24 427
Location							
Capital City Statistical Division	4 573	5 605	2 863	1 748	np	np	18 095
Rest of state/territory	1 823	1 005	2 824	130	np	np	6 332
PROPORTION OF ALL PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS (%)							
Hospitals	29.4	28.4	19.7	10.4	8.0	4.2	100.0
Available Beds(c)	26.2	27.1	23.3	7.7	11.4	4.3	100.0

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(b) Based on the number of available beds (average for the year).

(c) Average for the year.

2.3**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Numbers and beds—For Profit/not for profit sector(a)—2006–07****NOT FOR PROFIT**

	<i>For profit</i>	<i>Religious or charitable</i>	<i>Other(b)</i>	<i>Total</i>
HOSPITALS (no.)				
New South Wales	np	18	np	85
Victoria	50	18	14	82
Queensland	27	24	6	57
South Australia	6	7	17	30
Western Australia	np	10	np	23
Tasmania, Northern Territory and Australian Capital Territory(c)	np	6	np	12
Australia	165	83	41	289
Location				
Capital City Statistical Divisions	120	53	12	185
Rest of Australia	45	30	29	104
Hospital size(d)				
0–25 beds	15	13	25	53
26–50 beds	53	11	8	72
51–100 beds	58	23	6	87
101–200 beds	np	23	np	55
Over 200 beds	np	13	np	22
BEDS (no.)				
Available beds(e)				
Capital City Statistical Divisions	9 407	7 884	804	18 095
Rest of Australia	3 469	2 362	501	6 332
Total beds	12 876	10 246	1 305	24 427

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) See Glossary for definition of 'For Profit/not for profit sector'.

(b) Comprising bush nursing, community and memorial hospitals.

(c) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(d) Based on available beds (average for the year).

(e) Average for the year.

2.4**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, States and territories—2004–05 to 2006–07**

	<i>Patient Separations</i>		<i>Patient Days</i>		<i>Average length of stay</i>	<i>Bed occupancy rate(a)</i>
	'000	%	'000	%	Days	%
2004–05						
New South Wales	585	26.1	1 762	25.9	3.0	75.4
Victoria	571	25.5	1 741	25.6	3.0	75.5
Queensland	518	23.1	1 661	24.4	3.2	80.0
South Australia	182	8.2	542	8.0	3.0	79.4
Western Australia	279	12.5	789	11.6	2.8	75.6
Tasmania, Northern Territory and Australian Capital Territory(b)	104	4.6	304	4.5	2.9	68.8
Australia(c)	2 238	100.0	6 799	100.0	3.0	76.5
Location						
Capital City Statistical Divisions	1 671	74.6	5 129	75.4	3.1	78.4
Rest of Australia	568	25.4	1 669	24.6	2.9	71.1
2005–06						
New South Wales	611	26.1	1 761	25.5	2.9	75.1
Victoria	593	25.3	1 766	25.6	3.0	75.0
Queensland	560	23.9	1 704	24.7	3.0	84.2
South Australia	188	8.0	547	7.9	2.9	78.3
Western Australia	292	12.4	823	11.9	2.8	83.6
Tasmania, Northern Territory and Australian Capital Territory(b)	101	4.3	292	4.2	2.9	73.9
Australia(c)	2 345	100.0	6 893	100.0	2.9	78.3
Location						
Capital City Statistical Divisions	1 737	74.1	5 217	75.7	3.0	80.8
Rest of Australia	607	25.9	1 676	24.3	2.8	71.4
2006–07						
New South Wales	615	25.4	1 797	25.5	2.9	77.0
Victoria	627	25.9	1 835	26.1	2.9	76.0
Queensland	574	23.7	1 726	24.5	3.0	83.1
South Australia	193	8.0	552	7.8	2.9	80.5
Western Australia	305	12.6	838	11.9	2.7	82.2
Tasmania, Northern Territory and Australian Capital Territory(b)	106	4.4	289	4.1	2.7	74.6
Australia(c)	2 420	100.0	7 037	100.0	2.9	78.9
Location						
Capital City Statistical Divisions	1 810	74.8	5 367	76.3	3.0	81.3
Rest of Australia	610	25.2	1 671	23.7	2.7	72.3

(a) Calculated by dividing patient days by the product of average number of beds and the number of days in the year and expressed as a percentage. See Glossary for more information.

(b) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(c) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

2.5**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, For Profit/not for profit sector and hospital size—2006–07**

	<i>Patient Separations</i>		<i>Patient Days</i>		<i>Average length of stay</i>	<i>Bed occupancy rate(a)</i>
	'000	%	'000	%	Days	%
FOR PROFIT/NOT FOR PROFIT SECTOR (b)						
For profit	1 336	55.2	3 764	53.5	2.8	80.1
Not for profit						
Religious or charitable	973	40.2	2 937	41.7	3.0	78.5
Other(c)	111	4.6	336	4.8	3.0	70.6
Total(d)	2 420	100.0	7 037	100.0	2.9	78.9
HOSPITAL SIZE (e)						
0–25 beds	44	1.8	120	1.7	2.8	57.7
26–50 beds	237	9.8	663	9.4	2.8	67.3
51–100 beds	560	23.1	1 662	23.6	3.0	72.4
101–200 beds	849	35.1	2 307	32.8	2.7	82.0
Over 200 beds	730	30.2	2 285	32.5	3.1	87.4
Total(d)	2 420	100.0	7 037	100.0	2.9	78.9

(a) Calculated by dividing patient days by the product of average number of beds and the number of days in the year and expressed as a percentage. See Glossary for more information.

(b) See Glossary for definition of 'For Profit/not for profit sector'.

(c) Comprising bush nursing, community and memorial hospitals.

(d) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

(e) Based on available beds (average for the year).

2.6 PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Operating and day surgery theatres(a)—States and territories—2006–07

	NSW	Vic.	Qld	SA	WA	Tas., NT and ACT(b)	Aust.
Operating theatres							
Hospitals with these theatres (no.)	58	52	42	20	16	9	197
Theatres (no.)	298	226	234	74	106	41	979
Average number of sessions(c)	6.5	6.8	5.5	7.5	6.7	7.8	6.5
Average theatre time used (hours)(c)	38.7	27.3	33.0	36.9	31.8	28.2	33.4
Nurses(d)	1 494	1 325	1 295	422	550	237	5 323
Day surgery theatres(e)							
Hospitals with these theatres (no.)	20	26	23	12	9	6	96
Theatres (no.)	31	57	50	18	23	9	188
Average number of sessions(c)	7.1	5.4	4.0	5.8	3.8	5.2	5.1
Average theatre time used (hours)(c)	35.7	17.2	11.1	18.0	20.8	22.3	19.4
Nurses(d)	120	242	217	78	73	19	749

(a) Details are for the last week of the pay period ending on or before 30 June 2007.

(b) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(c) Per theatre per week.

(d) Full-time equivalent. Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

(e) Excluding free-standing day hospital facilities.

2.7

PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Patient insurance

status(a)—States and territories—2006–07

	NSW	Vic.	Qld	SA	WA	Tas., NT and ACT(b)	Aust. (c)
PATIENT SEPARATIONS ('000)							
Hospital insurance	529.7	496.2	482.8	179.8	250.6	72.3	2 011.3
No hospital insurance	74.7	78.4	70.0	8.8	42.8	11.7	286.4
Total(d)	614.7	627.3	573.6	193.3	305.0	105.6	2 419.5
PATIENT SEPARATIONS (%)							
Hospital insurance	86.2	79.1	84.2	93.0	82.2	68.5	83.1
No hospital insurance	12.2	12.5	12.2	4.6	14.0	11.1	11.8
Total(d)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
AVERAGE LENGTH OF STAY (days)							
Hospital insurance	2.9	2.8	3.1	2.8	2.5	2.8	2.9
No hospital insurance	3.0	3.6	2.6	2.2	3.9	1.7	3.1
Total(d)	2.9	2.9	3.0	2.9	2.7	2.7	2.9

(a) For definition of patient insurance status, see Glossary.

(b) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(c) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

(d) Total includes patient separations where insurance status is not stated.

2.8 PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Selected specialised wards and units—States and territories—2006–07

	<i>Labour wards</i>	<i>Psychiatric wards(a)</i>	<i>Special care units(b)</i>	<i>Emergency departments(c)</i>	<i>Dedicated day surgery unit</i>
	no.	no.	no.	no.	no.
Hospitals with specialised wards or units					
New South Wales	18	16	56	4	38
Victoria	18	11	44	4	41
Queensland	17	10	35	9	28
South Australia	7	np	12	np	11
Western Australia	9	5	14	3	11
Tasmania, Northern Territory and Australian Capital Territory(d)	6	np	7	np	8
Australia	75	48	168	24	137

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Including alcohol and drug units.

(b) Including intensive care units, coronary care units, neonatal care units, high dependency units, hospice care units and post-acute rehabilitation units.

(c) Bona fide emergency departments. (See definition of emergency departments in Glossary.)

(d) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

2.9**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Specialised wards and units—States and territories—2006–07****HOSPITALS**

	NSW	Vic.	Qld	SA	WA	Tas., NT and ACT(a)	Aust.
	no.	no.	no.	no.	no.	no.	no.
Neonatal intensive care unit	17	16	16	5	8	5	67
Separate intensive care unit (ICU)	16	9	13	6	np	np	47
Separate coronary care unit (CCU)	8	13	9	3	np	np	36
Combined ICU/CCU	np	np	5	—	np	np	16
High dependency unit	18	14	9	7	np	np	53
Obstetric/maternity service	20	17	16	6	8	7	74
Specialised paediatric service	9	7	8	—	np	np	27
Cardiac surgery unit	6	8	6	np	np	—	24
Maintenance renal dialysis	3	3	np	—	np	—	15
Psychiatric unit/ward	np	10	9	np	np	4	np
Oncology unit	10	18	23	8	np	np	69
Rehabilitation unit	26	17	12	3	np	np	61
Sleep centre	17	21	14	np	np	np	61
Residential aged care service(b)	—	3	np	np	—	—	8
Geriatric assessment unit	—	np	np	np	np	—	7
Domiciliary care service	—	4	—	—	np	np	6
Hospice/palliative care unit	4	np	6	np	9	—	21
Dedicated day surgery unit	38	41	28	11	11	8	137
Other specialised units/wards(c)	19	30	26	7	7	5	94
All private acute and psychiatric hospitals(d)	76	71	50	21	20	11	249

— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(b) Including those which are an integral part of the hospital only.

(c) For definition of other specialised units/wards see Glossary.

(d) Not every hospital has specialised units or wards, however some hospitals have more than one type of specialised unit or ward and so are counted in more than one row.

2.10**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Non-admitted patient services—2006–07**

	<i>Number of hospitals</i>	<i>Occasions of service</i>
	no.	'000
Accident and emergency(a)	47	453.6
Medical/surgical/diagnostic		
Dialysis	np	np
Radiology and organ imaging	3	np
Endoscopy	4	np
Pathology	6	337.3
Other	22	153.4
Mental health	12	13.7
Alcohol and drug	3	np
Pharmacy	np	np
Allied health services	32	427.5
Outreach services		
Community Health services	7	32.3
District nursing services	6	82.5
Other outreach services	5	np
Other	23	51.8
Total(b)	104	1 781.7

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Including hospitals which do not have a formal accident and emergency unit but which treated accident and emergency patients during the year.

(b) Not every hospital has specialised units or wards, however some hospitals have more than one type of specialised unit or ward and so are counted in more than one row.

2.11**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Number of staff and average staff per bed(a)—States and territories—2006–07**

	NSW	Vic.	Qld	SA	WA	Tas., NT and ACT(b)	Aust.
NUMBER OF STAFF							
Nursing staff							
Registered nursing staff	5 960	6 345	5 382	1 799	2 929	1 060	23 475
Other nursing staff(c)	1 284	903	1 071	445	468	154	4 326
Total(d)	7 244	7 247	6 454	2 244	3 398	1 214	27 801
Salaried medical officers and other diagnostic health professionals	881	988	589	129	419	100	3 106
Administrative and clerical	1 815	1 885	2 099	589	959	297	7 645
Domestic and other staff	2 126	2 031	1 740	710	1 317	242	8 166
Total staff(d)	12 066	12 152	10 882	3 672	6 093	1 854	46 718
AVERAGE NUMBER OF STAFF PER OCCUPIED BED (e)							
Nursing staff							
Registered nursing staff	1.2	1.3	1.1	1.2	1.3	1.3	1.2
Other nursing staff(c)	0.3	0.2	0.2	0.3	0.2	0.2	0.2
Total(d)	1.5	1.4	1.4	1.5	1.5	1.5	1.4
Other(f)	1.0	1.0	0.9	0.9	1.2	0.8	1.0
Total staff(d)	2.5	2.4	2.3	2.4	2.7	2.3	2.4

(a) Full-time equivalent staff.

(b) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(c) Including enrolled nurses.

(d) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

(e) Calculated by dividing patient days by the product of average number of beds and the number of days in the year and expressed as a percentage. See Glossary for more information.

(f) Including salaried medical officers and other diagnostic health professionals, administrative, domestic and other staff.

2.12**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Income—States and territories—2006–07**

	NSW	Vic.	Qld	SA	WA	Tas., NT and ACT(a)	Aust.
Income (\$'000)							
Patient revenue(b)	1 860 181	1 789 728	1 555 287	488 109	856 695	260 482	6 810 482
Recoveries	26 117	29 818	44 037	8 278	21 721	3 926	133 897
Other(c)	47 892	27 433	28 762	5 863	24 108	4 039	138 098
Total(d)	1 934 191	1 846 980	1 628 086	502 250	902 524	268 447	7 082 477
Patient revenue as a proportion of total income (%)	96.2	96.9	95.5	97.2	94.9	97.0	96.2

- (a) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.
- (b) Includes revenue received by, and due to, the hospital in respect of patient liability for accommodation and other fees. See Glossary for more information.
- (c) Includes investment income, income from charities, bequests, visitors' meals, and accommodation and kiosk sales.
- (d) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

2.13**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Income—For Profit/not for profit sector(a)—2006–07**

	NOT FOR PROFIT			
	For profit	Religious or charitable	Other(b)	Total
Income (\$'000)				
Patient revenue(c)	3 543 450	3 012 142	254 890	6 810 482
Recoveries	53 238	74 009	6 650	133 897
Other(d)	39 336	92 335	6 427	138 098
Total income(e)	3 636 025	3 178 486	267 967	7 082 477
Patient revenue as a proportion of total income (%)	97.5	94.8	95.1	96.2

- (a) See Glossary for definition of 'For Profit/not for profit sector'.
- (b) Comprising bush nursing, community and memorial hospitals.
- (c) Includes revenue received by, and due to, the hospital in respect of patient liability for accommodation and other fees. See Glossary for more information.
- (d) Includes investment income, income from charities, bequests, visitors' meals, and accommodation and kiosk sales.
- (e) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

2.14 PRIVATE ACUTE & PSYCHIATRIC HOSPITALS, Income—Hospital size(a)—2006–07

	NUMBER OF BEDS					
	0-25	26-50	51-100	101-200	Over 200	Total(b)
Income (\$'000)						
Patient revenue(c)	75 288	412 524	1 319 265	2 484 890	2 518 515	6 810 482
Recoveries	1 801	8 063	21 894	42 139	60 000	133 897
Other(d)	5 299	4 583	19 155	56 809	52 252	138 098
Total(b)	82 388	425 171	1 360 314	2 583 838	2 630 767	7 082 477
Patient revenue as a proportion of total income (%)	91.4	97.0	97.0	96.2	95.7	96.2

(a) Based on number of available beds (average for the year).

(b) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

(c) Includes revenue received by, and due to, the hospital in respect of patient liability for accommodation and other fees. See Glossary for more information.

(d) Including investment income, income from charities, bequests, visitors' meals, and accommodation and kiosk sales.

2.15 PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Expenditure—State and territories—2006–07

	NSW	Vic.	Qld	SA	WA	Tas., NT & ACT(a)	Aust.
Recurrent expenditure (\$'000)(b)							
Wages and salaries including on-costs	881 561	923 759	755 307	240 168	455 801	145 201	3 401 796
Drug, medical and surgical supplies(c)	509 035	446 286	398 843	136 548	194 772	66 817	1 752 301
Food supplies	25 571	24 102	24 707	7 098	12 901	3 133	97 512
Other domestic services	30 209	18 843	26 470	5 635	14 096	4 357	99 609
Administrative expenses	125 489	129 587	109 753	39 813	45 481	14 677	464 801
Repairs and maintenance	29 701	20 185	21 548	5 924	10 350	1 243	88 951
Other(d)	162 987	198 860	139 076	50 036	90 175	35 607	676 741
Total	1 764 553	1 761 622	1 475 704	485 221	823 576	271 035	6 581 711
Wages and salaries including on-costs as a proportion of total recurrent expenditure (%)	50.0	52.4	51.2	49.5	55.3	53.6	51.7
Average recurrent expenditure (\$) (e)							
Per patient separation	2 871	2 808	2 573	2 511	2 700	2 567	2 720
Per patient day	982	960	855	879	982	938	935
Gross capital expenditure(f) (\$'000)	127 107	70 807	125 371	30 213	69 335	16 886	439 718

(a) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(b) Recurrent expenditure refers to expenditure on goods and services, which does not result in the creation or acquisition of fixed assets (new or second-hand). See Glossary for further definition.

(c) Including surgically implanted prostheses and homograft items.

(d) Including interest, depreciation, contract services and transport expenses.

(e) Average expenditure figures can vary considerably between hospitals depending on the type of services they provide.

(f) Gross capital expenditure refers to expenditure in a period on the acquisition or enhancement of an asset (excluding financial assets). See Glossary for further definition.

2.16**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Expenditure—For Profit/not for profit sector(a)—2006–07**

	NOT FOR PROFIT			Total
	For profit	Religious or charitable	Other(b)	
Recurrent expenditure (\$'000)(c)				
Wages and salaries including on-costs	1 700 724	1 556 302	144 770	3 401 796
Drug, medical and surgical supplies(d)	873 026	810 497	68 778	1 752 301
Food supplies	45 478	47 084	4 951	97 512
Other domestic services	45 630	49 801	4 179	99 609
Administrative expenses	208 042	239 737	17 022	464 801
Repairs and maintenance	46 237	39 177	3 537	88 951
Other(e)	297 164	353 347	26 230	676 741
Total(f)	3 216 301	3 095 945	269 464	6 581 711
Wages and salaries including on-costs as a proportion of total recurrent expenditure (%)	52.9	50.3	53.7	51.7
Average recurrent expenditure (\$)(g)				
Per patient separation	2 408	3 183	2 428	2 720
Per patient day	854	1 054	801	935
Gross capital expenditure(h) (\$'000)	207 984	220 453	11 282	439 718

(a) See Glossary for definition of 'For Profit/not for profit sector'.

(b) Comprising bush nursing, community and memorial hospitals.

(c) Recurrent expenditure refers to expenditure on goods and services, which does not result in the creation or acquisition of fixed assets (new or second-hand). See Glossary for further definition.

(d) Including surgically implanted prostheses and homograft items.

(e) Including interest, depreciation, contract services and transport.

(f) Total may include figures where providers were able to provide a total recurrent expenditure figure, without further breakdown of expenditure items, therefore the total will not equate to the sum of the individual items.

(g) Average expenditure figures can vary considerably between hospitals depending on the type of services they provide.

(h) Gross capital expenditure refers to expenditure in a period on the acquisition or enhancement of an asset (excluding financial assets). See Glossary for further definition.

2.17**PRIVATE ACUTE AND PSYCHIATRIC HOSPITALS, Expenditure—Hospital**

size(a)—2006–07

NUMBER OF BEDS

0-25 26-50 51-100 101-200 Over 200 Total

Recurrent expenditure (\$'000)(b)

Wages and salaries including on-costs	48 032	225 639	681 510	1 182 116	1 264 500	3 401 796
Drug, medical and surgical supplies(c)	16 383	68 424	260 442	707 258	699 795	1 752 301
Food supplies	1 370	7 112	20 209	31 032	37 789	97 512
Other domestic services	1 560	7 227	20 597	34 368	35 857	99 609
Administrative expenses	7 511	33 910	101 370	162 340	159 670	464 801
Repairs and maintenance	1 362	6 099	17 447	35 729	28 314	88 951
Other(d)	8 497	41 215	124 182	249 308	253 538	676 741

Total	84 715	389 626	1 225 757	2 402 151	2 479 463	6 581 711
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Wages and salaries including on-costs as a proportion of total recurrent expenditure (%)

56.7 57.9 55.6 49.2 51.0 51.7

Average recurrent expenditure (\$) (e)

Per patient separation	1 938	1 643	2 189	2 831	3 395	2 720
Per patient day	704	587	738	1 041	1 085	935

Gross capital expenditure(f) (\$'000)

4 914 69 209 83 506 107 859 174 231 439 718

- (a) Based on number of available beds (average for the year).
- (b) Recurrent expenditure refers to expenditure on goods and services, which does not result in the creation or acquisition of fixed assets (new or second-hand). See Glossary for further definition.
- (c) Including surgically implanted prostheses and homograft items.

- (d) Including interest, depreciation, contract services and transport expenses.
- (e) Average expenditure figures can vary considerably between hospitals depending on the type of services they provide.
- (f) Gross capital expenditure refers to expenditure in a period on the acquisition or enhancement of an asset (excluding financial assets). See Glossary for further definition.

CHAPTER 3

PRIVATE FREE-STANDING DAY HOSPITAL FACILITIES

HOSPITALS

The total number of private Free-standing day hospital facilities has increased by 12 establishments, from 256 in 2005–06 to 268 in 2006–07. The largest increase of all the states and territories was in Victoria, with 10 additional private Free-standing day hospitals since 2005–06. The largest proportional increase occurred in Western Australia, with four additional Free-standing day hospitals in 2006–07, 31% more than last year.

The number of beds/chairs in Free-standing day hospital facilities increased by 6.5%, from 2,114 in 2005–06 to 2,251 in 2006–07. Victoria showed the largest increase in the number of beds/chairs in Free-standing day hospital facilities, with an increase of 90 beds/chairs. There was a small decrease in the number of beds and chairs in some states and territories, with New South Wales having the largest decrease of 24 bed/chairs since 2005–06.

The number of operating theatres increased by 7.8% from 245 to 264 over the year, while the number of procedure rooms rose by 2.5% to 205 rooms.

The four main types of Free-standing day hospitals in 2006–07 were Specialist endoscopy (28%), Ophthalmic (21%), Plastic/cosmetic (10%) and General surgery (5.6%).

Patient separations

Patient separations from Free-standing day hospital facilities continued to increase from 579,907 in 2005–06 to 631,327 in 2006–07, an increase of 8.9%. On average, the annual increase in patient separations was 7.8% over the five years to 2006–07. Specialist endoscopy centres had the highest number of patient separations with 196,171 in 2006–07 followed by Ophthalmic centres with 111,092.

Staff

The total number of full-time equivalent staff in Free-standing day hospital facilities increased by 6.6% to 2,377 in 2006–07. Nursing staff accounted for 58% (1,370) of total staff in 2006–07, a proportional decrease of 0.9% from 2005–06. Administrative and clerical staff increased by 1.0% to 757.7 full-time equivalent staff.

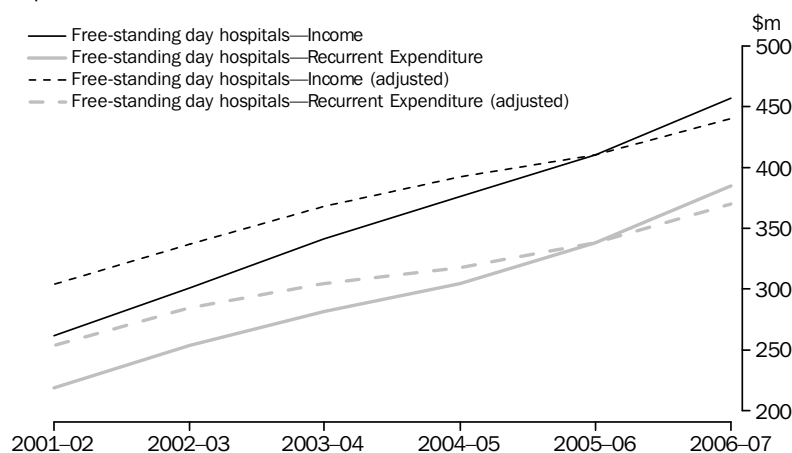
INCOME

Free-standing day hospital facilities received \$456.9m in income during 2006–07, an 11% increase from the previous year when \$410.0m in income was received. The average annual increase in income over the five years to 2006–07 was 12%. Most income generated in Free-standing day hospitals is sourced from Patient revenue (96%), as distinct from income derived from other sources such as investments and bequests.

In adjusted terms, income increased by 7.2% from 2005–06 and the average annual increase in income was 7.7% over the five years to 2006–07. (See Explanatory Notes, paragraph 20, for more information concerning the use of chain volume measures to adjust income and expenditure).

INCOME *continued*

PRIVATE FREE-STANDING DAY HOSPITAL FACILITIES, Income and expenditure



EXPENDITURE

Recurrent expenditure recorded for Free-standing day hospital facilities in 2006-07 was \$385.0m. This is an increase of 14% over the previous year, when \$338.4m was recorded. When adjusted for price changes, recurrent expenditure increased by 9.5% from 2005-06 and the average annual increase in recurrent expenditure was 7.8% over the five year period to 2006-07. (See Explanatory Notes, paragraph 20 regarding the use of chain volume measures to adjust income and expenditure.)

The average expenditure per patient separation increased from \$584 in 2005-06 to \$610 in 2006-07. In price adjusted terms, the average expenditure per patient separation in 2006-07 increased by 0.5% over the previous year, from \$584 in 2005-06 to \$587 in 2006-07. The average annual movement in expenditure per patient separation has remained steady from 2002-03 to 2006-07. (See Explanatory Notes, paragraph 20 concerning the use of chain volume measures to adjust income and expenditure.)

Gross capital expenditure for Free-standing day hospital facilities during 2006-07 was \$35.2m. Capital expenditure represented 7.7% of total income in 2006-07.

3.1**PRIVATE FREE-STANDING DAY HOSPITAL FACILITIES, Summary—Selected years . .**

	1996-97	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Hospitals (no.)							
New South Wales	81	93	98	93	96	93	90
Victoria	22	52	56	54	61	63	73
Queensland	21	47	44	46	48	52	52
South Australia	12	23	23	22	22	25	24
Western Australia	9	12	12	11	12	13	17
Tasmania, Northern Territory and Australian Capital Territory(a)	8	9	7	8	8	10	12
Australia	153	236	240	234	247	256	268
Hospitals by type (no.)(b)							
General surgery	57	18	13	13	19	17	15
Specialist endoscopy	37	71	76	75	70	71	76
Ophthalmic	25	52	52	51	53	57	57
Plastic/cosmetic	—	31	29	27	32	33	28
Other(c)	34	64	70	68	73	78	92
Total	153	236	240	234	247	256	268
Beds/chairs(d) (no.)	1 163	1 764	1 910	1 947	2 078	2 114	2 251
Separations ('000)	226.3	433.3	471.7	505.6	537.5	579.9	631.3
Operating theatres (e) (no.)	158	215	217	220	231	245	264
Procedure rooms (e) (no.)	134	179	188	178	193	200	205
Staff(f)	1 011	1 797	1 955	2 038	2 086	2 231	2 385
Income							
Total (\$'000)	119 215	262 028	301 080	340 730	375 567	410 036	456 937
Patient Revenue(g) (%)	95.1	96.3	95.7	94.7	95.6	95.9	96.3
Recurrent Expenditure(h)							
Total (\$'000)	95 410	219 091	254 024	282 401	305 251	338 421	384 986
Wages and salaries, including on-costs (%)	41.2	42.1	41.1	39.2	39.3	39.1	40.2
Per separation (\$)	422	506	539	559	568	584	610
Gross capital expenditure(i) (\$'000)	21 017	27 285	23 533	21 695	22 382	17 235	35 225

— nil or rounded to zero (including null cells)

(a) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(b) See Explanatory Notes, paragraph 19 for further detail on categories.

(c) Including fertility and sleep disorders clinics.

(d) Available beds/chairs (average for the year).

(e) Details are for the last week of the pay period ending on or before 30 June 2007.

(f) Full-time equivalent (average for the year). Full-time equivalent represents the sum of full-time staff and full-time equivalent of part-time staff. (See Glossary)

(g) Includes revenue received by, and due to, the hospital in respect of patient liability for accommodation and other fees. See Glossary for more information.

(h) Recurrent expenditure refers to expenditure on goods and services, which does not result in the creation or acquisition of fixed assets (new or second-hand). See Glossary for further information.

(i) Gross capital expenditure refers to expenditure in a period on the acquisition or enhancement of an asset (excluding financial assets). See Glossary for further information.

3.2 PRIVATE FREE-STANDING DAY HOSPITALS, Type of centre—States and territories—2006–07

	<i>General surgery</i>	<i>Specialist endoscopy</i>	<i>Ophthalmic</i>	<i>Plastic/cosmetic</i>	<i>Other(a)</i>	<i>Total(b)</i>
Hospitals (no.)						
New South Wales	8	21	25	7	29	90
Victoria	np	31	9	np	23	73
Queensland	4	15	14	3	16	52
South Australia	—	4	3	9	8	24
Western Australia	—	np	np	—	12	17
Tasmania, Northern Territory and Australian Capital Territory(c)	np	np	np	np	4	12
Australia	15	76	57	28	92	268
Operating theatres (no.)(d)	27	30	86	39	82	264
Procedure rooms (no.)(d)	4	81	27	18	75	205
Average number of sessions (d)	5.3	4.9	4.6	5.4	5.2	5.0
Average time used (hours)(e)	45.2	21.4	19.6	21.5	24.4	23.6
Beds/chairs (no.)(f)	178	612	485	136	840	2 251
Separations ('000)	42.3	196.2	111.1	29.1	252.7	631.3
Avg number of separations per bed/chair	237.6	320.5	229.1	213.7	300.8	280.5

— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Including fertility and sleep disorders clinics.

(b) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

(c) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.

(d) Details are for the last week of the pay period ending on or before 30 June 2007.

(e) Per operating theatre and procedure room per week.

(f) Available beds/chairs (average for the year).

3.3 PRIVATE FREE-STANDING DAY HOSPITALS, Full-time equivalent staff—Type of centre(a)—2006–07

	<i>General surgery</i>	<i>Specialist endoscopy</i>	<i>Ophthalmic</i>	<i>Plastic/cosmetic</i>	<i>Other(b)</i>	<i>Total(c)</i>
Nursing staff	121.6	343.5	330.3	100.5	477.0	1 373.1
Administrative and clerical	33.4	239.6	172.6	51.9	263.1	760.6
Other(d)	13.9	50.6	73.7	7.9	105.0	251.1
Total(c)	168.9	633.7	576.6	160.4	845.1	2 384.8

(a) See Explanatory Notes, paragraph 19 for further detail on categories.

(b) Including fertility and sleep disorders clinics.

(c) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

(d) Including salaried medical officers and other diagnostic health professionals, domestic and other staff.

3.4 PRIVATE FREE STANDING DAY HOSPITALS, Full-time equivalent staff(a)—States and territories—2006–07

	NSW	Vic.	Qld	SA	WA	Tas., NT & ACT(b)	Aust. (c)
Nursing staff	476.7	301.2	388.6	75.5	83.3	47.7	1 373.1
Administrative and clerical	290.1	144.6	201.5	54.4	34.2	35.9	760.6
Other(d)	115.7	38.6	55.9	8.1	17.6	15.2	251.1
Total(c)	882.5	484.5	646.0	137.9	135.1	98.8	2 384.8

- (a) Full-time equivalent represents the sum of full-time staff and the full-time equivalent of part-time staff. See Glossary for further details.
- (b) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.
- (c) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.
- (d) Including salaried medical officers and other diagnostic health professionals, domestic and other staff.

3.5 PRIVATE FREE-STANDING DAY HOSPITALS, Income—Type of centre(a)—2006–07

	General surgery	Specialist endoscopy	Ophthalmic	Plastic/cosmetic	Other(b)	Total(c)
Income (\$000)						
Patient revenue(d)	29 298	91 797	139 092	27 241	152 424	439 853
Other(e)	185	7 357	2 413	793	6 335	17 084
Total(c)	29 483	99 155	141 506	28 034	158 759	456 937
Patient revenue as a proportion of total income (%)	99.4	92.6	98.3	97.2	96.0	96.3

- (a) See Explanatory Notes, paragraph 19 for further detail of categories.
- (b) Including fertility and sleep disorders clinics.
- (c) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.
- (d) Includes revenue received by, and due to, the hospital in respect of patient liability for accommodation and other fees. See Glossary for more information.
- (e) Including investment income, income from charities, bequests, visitors' meals, and accommodation and kiosk sales.

3.6 PRIVATE FREE-STANDING DAY HOSPITALS, Income—States and territories—2006–07

	NSW	Vic.	Qld	SA	WA	Tas., NT & ACT(a)	Aust. (b)
Income (\$'000)							
Patient revenue(c)	181 406	75 601	110 788	24 454	24 431	23 173	439 853
Other	6 162	6 028	3 492	749	448	204	17 084
Total(b)	187 568	81 629	114 280	25 203	24 879	23 377	456 937
Patient revenue as a proportion of total income (%)	96.7	92.6	96.9	97.0	98.2	99.1	96.3

- (a) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.
- (b) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.
- (c) Includes revenue received by, and due to, the hospital in respect of patient liability for accommodation and other fees. See Glossary for more information.

3.7 PRIVATE FREE-STANDING DAY HOSPITALS, Expenditure—Type of centre(a)—2006–07

	General surgery	Specialist endoscopy	Ophthalmic	Plastic/cosmetic	Other(b)	Total(c)
Recurrent expenditure (\$'000)(d)						
Wages and salaries including on-costs	9 807	37 057	38 394	10 139	59 314	154 711
Drug, medical and surgical supplies(e)	7 555	11 001	40 802	4 665	37 862	101 885
Administrative expenses	2 759	14 018	18 382	4 835	24 227	64 220
Other(f)	4 286	17 003	16 264	4 137	22 481	64 169
Total(c)	24 406	79 079	113 841	23 775	143 884	384 986
Wages and salaries, including on-costs as a proportion of total recurrent expenditure (%)	40.2	46.9	33.7	42.6	41.2	40.2
Average recurrent expenditure per separation(g) (\$)	577	403	1 025	818	569	610
Gross capital expenditure(h) (\$'000)	np	9 383	12 340	np	9 997	35 225

- np not available for publication but included in totals where applicable, unless otherwise indicated
- (a) See Glossary for further definition.
- (b) Including fertility and sleep disorders clinics.
- (c) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.
- (d) Recurrent expenditure refers to expenditure on goods and services, which does not result in the creation or acquisition of fixed assets (new or second-hand). See Glossary for further information.

- (e) Including surgically implanted prostheses and homograft items.
- (f) Including repairs and maintenance, interest, depreciation, contract services and payments to sessional medical officers.
- (g) Average expenditure figures can vary considerably between hospitals depending on the type of services they provide.
- (h) Gross capital expenditure refer to expenditure in a period on the acquisition or enhancement of an asset (excluding financial assets). See Glossary for further information.

3.8 PRIVATE FREE-STANDING DAY HOSPITALS, Expenditure—States and territories—2006–07

	NSW	Vic.	Qld	SA	WA	Tas, NT and ACT(a)	Aust.(b)
Recurrent expenditure ('\$000)(c)							
Wages and salaries including on-costs	58 562	29 478	42 525	9 279	8 435	6 433	154 711
Drug, medical and surgical supplies(d)	46 553	14 825	24 501	4 869	6 017	5 120	101 885
Administrative expenses	27 218	11 418	16 698	3 822	1 694	3 370	64 220
Other(e)	24 815	12 436	16 734	3 981	3 456	2 748	64 169
Total(b)	157 149	68 157	100 458	21 951	19 602	17 670	384 986
Wages and salaries including on-costs as a proportion of total recurrent expenditure (%)	37.3	43.3	42.3	42.3	43.0	36.4	40.2
Average recurrent expenditure per separation(f) (\$)	824	414	568	534	615	670	610
Gross capital expenditure(g) (\$'000)	7 697	17 733	4 183	1 795	3 198	619	35 225

- (a) Tasmania, the Northern Territory and the Australian Capital Territory have been aggregated to protect the confidentiality of the small number of hospitals in these states/territories.
- (b) Figures have been rounded and discrepancies may occur between totals and the sums of the component items.
- (c) Recurrent expenditure refers to expenditure on goods and services, which does not result in the creation or acquisition of fixed assets (new or second-hand). See Glossary for further information.
- (d) Including surgically implanted prostheses and homograft items.
- (e) Including repairs and maintenance, interest, depreciation, contract services and payments to sessional medical officers.
- (f) Average expenditure figures can vary considerably between hospitals depending on the type of services they provide.
- (g) Gross capital expenditure refer to expenditure in a period on the acquisition or enhancement of an asset (excluding financial assets). See Glossary for further information.

EXPLANATORY NOTES

INTRODUCTION

- 1** This publication contains statistical information for 2006-07 financial year and previous financial years, obtained from an annual census of all licensed private hospitals in Australia. It contains details about the facilities, activities, staffing and finances of all private hospitals, including both private acute and/or psychiatric hospitals and free-standing day hospital facilities.
- 2** Corresponding statistics for public hospitals are compiled by the Australian Institute of Health and Welfare (AIHW) in their annual publication, *Australian Hospital Statistics*.
- 3** The data presented in this publication are supported by a series of spreadsheets that are available on the ABS website. Any references to tables in the Explanatory Notes also refers to these spreadsheets.
- 4** A glossary is provided detailing definitions of terminology used within this publication and the associated datacubes.

SCOPE

- 5** All private acute and psychiatric hospitals licensed by state and territory health authorities and all free-standing day hospital facilities approved by the Australian Government Department of Health and Ageing for the purpose of health insurance benefits are within the scope of this collection.

COVERAGE

- 6** Updated lists of private hospitals are received from state, territory and Commonwealth health authorities and every effort is made to include all hospitals in scope.
- 7** All private hospitals in Australia which operated for all or part of the reference year are included in the collection.

DEFINITIONS

- 8** The data items and definitions in this collection are based on the National Health Data Dictionary published by the AIHW, with some additional data items requested by private hospital associations and health authorities. Refer to the Glossary for further definitions of the data items used in this publication.

CLASSIFICATIONS

*Australian Standard
Geographical Classification
(ASGC)*

- 9** The ASGC is a hierarchical classification system consisting of six interrelated classification structures. The ASGC provides a common framework of statistical geography and thereby enables the production of statistics which are comparable and can be spatially integrated. These provide Private Hospital statistics with a 'where' dimension.
- 10** For further information about the ASGC refer to cat.no. 1216.0 - Australian Standard Geographical Classification (ASGC), Jul 2007.

*International Classification of
Diseases*

- 11** The International Classification of Diseases (ICD) is the international standard classification for epidemiological purposes and is designed to promote international comparability in the collection, processing, classification, and presentation of health statistics. The classification is used to classify diseases and causes of disease or injury. The ICD has been revised periodically to incorporate changes in the medical field.
- 12** Principal diagnosis and procedure for admitted patients are reported in this collection using the *International Statistical Classification of Diseases and Related Health Problems, 10th Revision - Australian Modification, 5th edition (ICD-10-AM)*.

International Classification of Diseases continued

13 For further information about the ICD refer to WHO | International Classification of Diseases (ICD).

14 For further information about the ICD - 10 AM refer to ICD-10 AM 5th Edition.

Australian Refined Diagnosis Related Groups (AR-DRG)

15 In Australia, a system of *Australian Refined Diagnosis Related Groups* (AR-DRG) is used as a means of classifying patients for Casemix purposes. Casemix refers to the range and types of patients (the mix of cases) treated by a hospital or other health service. Each AR-DRG represents a class of patients with similar clinical conditions requiring similar total hospital resources for their treatment. This provides a way of describing and comparing hospitals and other services for management purposes.

16 This classification is used by most states and territories as a management tool for public hospitals and, to varying degrees, for their funding. The classification is becoming more widely used by private hospitals as a reporting tool. Some contracting between health funds and private hospitals is gradually incorporating charging for patients based on their Casemix classification.

17 The ABS uses this classification to produce tables that provide data on major diagnostic categories. These tables are available on the ABS web site in the datacubes associated with this publication.

18 For further information about AR-DRG refer to AR-DRG information on the Australian Government Department of Health and Ageing (DoHA) website.

DAY HOSPITALS CATEGORIES

19 Free-standing day hospital facilities are classified by the main income earning activity of the centre. The four main types are general surgery, specialist endoscopy, ophthalmic & plastic/cosmetic. Plastic/cosmetic facilities were collected as a separate category for the first time in 2000-01. Other types of centres, including fertility and sleep disorder clinics, are included in a residual category.

CHAIN VOLUME MEASURES

20 Chain volume measures have been used in this publication to enable analysis of the changes to income and expenditure for private hospitals over time in 'real' terms. It is considered that these measures provide better indicators of movement in real output and expenditures than constant price estimates. Unlike constant price estimates, they take account of changes to price relativities that occur from one year to the next. Chain volume measures are derived by revaluing the original current price series of recurrent expenditure for private hospitals by a specifically compiled measure of price change. The reference period for the chain volume measure is 2006. In this publication the Laspeyres input cost index for hospitals was used. This was specifically designed to measure price change in hospital recurrent expenditures. The data are consistent with the 2006-07 Australian System of National Accounts (cat. no. 5204.0). Detailed information on chain volume measures and their use in the Australian National Accounts are contained in:

- Information Paper: Australian National Accounts, Introduction of Chain Volume and Price Indexes, Sep 1997 (cat. no. 5248.0); and
- Information Paper: Upgraded Australian National Accounts, 1998 (cat. no. 5253.0).

METHODOLOGY

21 Questionnaires are sent each year to all private hospitals in Australia for completion and return to the ABS. For a large proportion of hospitals, data on admitted patients is sent to the ABS by state and territory health authorities on behalf of hospitals.

DATA QUALITY

Missing Data

22 Establishments which provided incomplete data were contacted to obtain the missing details. Hospital staff were asked to provide estimates in cases where records for the data items were not kept. If reasonable estimates could not be provided by the establishment then the data item was either left blank or imputed by ABS staff. Imputation was based on data received in previous years and on the results of the data provided by all responding hospitals. Due to the high response rates (92.3%) imputation rates were very low.

Sources of Error

23 The statistics from this collection may be subject to various sources of error. These may be errors in reporting (e.g. because estimates may have been used in the case of actual data not being available, misunderstanding of questions or unwillingness of respondents to reveal all details) or errors arising during processing (e.g. coding, data recording). Every effort is made to reduce errors in the collection to a minimum by careful design of questionnaires and processing procedures designed to detect errors and enable them to be corrected. These procedures include external coverage checks, clerical and computer editing of input data, error resolution including referral back to the source, and clerical scrutiny of preliminary aggregates.

Hospital Morbidity Data

24 Hospital morbidity data, providing admitted patient's details such as age, principal diagnosis and procedure, are routinely provided by hospitals to state and territory health authorities. Arrangements were made, with consent of the hospitals, for state health authorities to provide the ABS with the relevant morbidity data. Any significant inconsistencies between the data collated by health authorities and by hospitals were followed up and resolved. As a result of this reconciliation of the 2006-07 data, the final total for patient separations was 1.6% higher than that reported by consenting hospitals and 0.3% higher than that compiled from data supplied by state health authorities.

Accounting Practices

25 Differences in accounting policy and practices lead to some inconsistencies in the financial data provided by hospitals. Measurement of expenditure is affected by management policy on such things as depreciation rates, bad debt and goodwill write-off. Further inconsistency occurs in cases where all property and fixed assets accounts are administered by a parent body or religious order headquarters and details are not available for the individual hospitals.

SPECIFIC ISSUES FOR
2006-07 DATA

26 'Other personal care staff' is excluded from the staffing categories collected for the financial year 2006-07, and is therefore not included in Full-Time Equivalent (FTE) and Wages and Salary data.

27 The principal diagnosis of admitted patients classification now includes 'Codes for Special Purpose' (ICD-10AM codes U00-U49) which have been included in the totals of all relevant tables.

EFFECTS OF ROUNDING

28 Where figures have been rounded, discrepancies may occur between totals and sums of the component items.

ACKNOWLEDGEMENT

29 ABS publications draw extensively on information provided by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated. Information received by the ABS is treated in strict confidence as required by the *Census and Statistics Act 1905*.

RELATED PUBLICATIONS

30 Other ABS publications that may be of interest include:

Hospitals Australia, 1991-92 (cat. no. 4391.0)

Information Paper: Australian National Accounts, Introduction of Chain Volume and Price Indexes, 1997 (cat. no. 5248.0)

Information Paper: Upgraded Australian National Accounts, 1998 (cat. no. 5253.0)

National Health Survey: Private Health Insurance, Australia, 1998 (cat. no. 4335.0)

National Health Survey: Summary of Results, 2004-05 (cat. no. 4364.0)

31 The following related publications are issued by other organisations.

RELATED PUBLICATIONS

continued

- Available from the Australian Institute of Health and Welfare (AIHW) <www.aihw.gov.au>:
 - Australian Hospital Statistics, 2005-06
 - Australia's Health, 2006
 - Health Expenditure Australia, 2005-06
 - Health and Community Services Labour Force, 2001 - Produced jointly with ABS
 - Medical Labour Force, 2005
 - Medical Workforce Supply and Demand in Australia: a discussion paper, 1998
 - National Health Data Dictionary, Version 13, 2006
 - National Report on Health Sector Performance Indicators 2003
 - Nursing and Midwifery Labour Force, 2005
- Available from the Mental Health and Wellbeing in Australia web site
<<http://www.health.gov.au/internet/mentalhealth/Publishing.nsf/Content/Home-1>>:
 - National Mental Health Report 2007: Summary of Twelve Years of Reform in Australia's Mental Health Services under the National Mental Health Strategy 1993-2005
- Available from the Private Health Insurance Administration Council, Canberra (PHIAC) website <www.phiac.gov.au>:
 - PHIAC A Reports - Released quarterly
 - Statistical Trends in Membership and Benefits - Released quarterly

32 ABS products and publications are available free of charge from the ABS website <<http://www.abs.gov.au>>. Click on Statistics to gain access to the full range of ABS statistical and reference information. For details on products scheduled for release in the coming week, click on the Future Releases link on the ABS home page.

ABS DATA AVAILABLE ON REQUEST

33 As well as the statistics included in this and related publications, the ABS may have other relevant data available. Inquiries should be directed to the *National Information and Referral Service* on 1300 135 070 or by email to client.services@abs.gov.au.

GLOSSARY

Accredited/certified hospitals	Hospitals that are accredited/certified by the Australian Council on Healthcare Standards (ACHS 2003), Benchmark Certification, Business Excellence Australia (SAI-Global Ltd) or any other body approved for private sector quality criteria certification or ISO 9000 quality family standards. Participation in these schemes is voluntary and accreditation is awarded when hospitals demonstrate a continuing adherence to quality assurance standards. Hospital accreditation/certification is regarded as one of the few indicators of hospital quality that is available nationally.
Acute hospitals	These provide at least minimal medical, surgical or obstetrical services for admitted patient treatment and/or care and provide round-the-clock comprehensive qualified nursing services as well as other necessary professional services. They must be licensed by the State or Territory health authority. Most of the patients have acute conditions or temporary ailments.
Administrative expenses	Includes management and administrative support expenditure such as rates and taxes (other than income tax), printing, telephone, stationery, insurance (other than workers compensation) and motor vehicle running expenses.
Allied health services	These are provided by units and clinics for the treatment and counselling of patients. They mainly comprise physiotherapy, speech therapy, family planning, dietary advice, optometry and occupational therapy.
Australian Refined Diagnosis Related Groups (AR-DRG)	An Australian patient classification system comprising a description of body systems, a separation of medical and surgical procedures, and a description of a hierarchy of procedures, medical problems and other factors that differentiate processes of care (Australian Government Department of Health and Ageing, 2008)
Available beds	Available beds are those immediately available (occupied and unoccupied) for the care of admitted patients as required. In the case of free-standing day hospital facilities, they include chairs, trolleys, recliners and cots and are used mainly for post-surgery recovery purposes only. See also Beds and Occupied beds.
Average length of stay in hospital	This is calculated by dividing the aggregate number of patient days by the number of separations associated with those patient days.
Beds	These are provided for the care and treatment of admitted (same-day and overnight-stay) patients. See also Available beds and Occupied beds.
Capital expenditure	Comprises expenditure on land and buildings, computer facilities, major medical equipment, plant and other equipment, and expenditure in relation to intangible assets, having regard to guidelines followed as to the differentiation between capital and recurrent costs.
Emergency departments	A bona fide emergency department is a department that provides levels 4 to 6 of emergency services as defined by the guide to the <i>Role Delineation of Health Services</i> ,

Emergency departments <i>continued</i>	<p><i>third edition, New South Wales, Department of Health, 2002.</i> Six levels of emergency services roles are identified:</p> <p>Level 0 - No service</p> <p>Level 1 - No planned emergency service</p> <p>Level 2 - Emergency service in small hospital. Designated assessment and treatment area. Visiting medical officer on call.</p> <p>Level 3 - As Level 2 plus designated nursing staff available 24 hours. Has 24 hour access to medical officer(s) on site or available within 10 minutes. Specialists in general surgery, anaesthetics, paediatrics and medicine available for consultation. Full resuscitation facilities in separate area.</p> <p>Level 4 - As Level 3 plus can manage most emergencies. Purpose designed area. Full-time director. Experienced medical officer(s) and nursing staff on site 24 hours. Specialists in general surgery, paediatrics, orthopaedics, anaesthetics and medicine on call 24 hours.</p> <p>Level 5 - As Level 4 plus can manage all emergencies and provide definitive care for most. Has undergraduate teaching and undertake research. Has designated registrar. May have neurosurgery service.</p> <p>Level 6 - As Level 5 plus has neurosurgery and cardiothoracic surgery on site. Sub-specialists available on rosters. Has registrar on site 24 hours.</p>
Factors influencing health status and contact with health service	<p>These factors relate to occasions when circumstances other than a disease, injury or external cause are recorded as "diagnoses" or "problems". This can arise in two main ways:</p> <ul style="list-style-type: none"> ■ When a person who may or may not be sick encounters the health services for some specific purpose, such as to receive limited care or service for a current condition, to donate an organ or tissue, to receive prophylactic vaccination or to discuss a problem which is in itself not a disease or injury. ■ When some circumstance or problem is present which influences the person's health status but is not in itself a current illness or injury. Such factors may be elicited during population surveys, when the person may or may not be currently sick, or be recorded as an additional factor to be borne in mind when the person is receiving care for some illness or injury.
Free-standing day hospital facilities	<p>These provide investigation and treatment for acute conditions on a day-only basis and are approved by the Commonwealth for the purposes of basic table health insurance benefits.</p>
For Profit/not for profit sector	<p>'Not-for-profit' hospitals are those which qualify as a non-profit organisation with either the Australian Taxation Office or the Australian Securities and Investment Commission. These are further categorised as 'religious or charitable' and 'other'. All other hospitals are classed as 'for profit'.</p>
ICD	<p><i>International Statistical Classification of Diseases and Related Health Problems.</i> The purpose of the ICD is to permit the systematic recording, analysis, interpretation and comparison of mortality and morbidity data collected in different countries or areas and at different times. The ICD, which is endorsed by the World Health Organisation (WHO), is primarily designed for the classification of diseases and injuries with a formal diagnosis. Further information is available from the WHO web site <www.who.int>.</p>
Income	<p>Three categories of income are identified:</p> <p><i>Patient revenue</i> includes revenue received by, and due to, the hospital in respect of patient liability for accommodation and other fees, regardless of source of payment (Commonwealth, health fund, insurance company, direct from patient) or status of patient (whether admitted or non-admitted patient).</p> <p><i>Recoveries</i> includes income received from items such as staff meals and accommodation, and facility fees paid by medical practitioners.</p>

Income continued	<i>Other income</i> includes revenue such as investment income from temporarily surplus funds and income from charities, bequests, meals and accommodation provided to visitors, and kiosk sales. Revenue payments received from state or territory governments are excluded.
Insurance status	Indicates whether or not hospital insurance is held by a patient with a registered health insurance fund, or a general insurance company. Patients who have insurance cover only for ancillary services are regarded as not having hospital insurance.
Occasions of service	Any services provided to a non-admitted patient in a functional unit (e.g. radiology) of the hospital. Each diagnostic test or simultaneous set of related diagnostic tests is counted as one occasion of service.
Occupancy rate	Is calculated by dividing patient days by the product of average number of beds and the number of days in the year (365 days in 2006-07) and expressed as a percentage. $\text{occupancy rate (\%)} = \frac{\text{patient days} \times 100}{\text{average available beds} \times 365}$
Occupied beds	Occupied beds are calculated by dividing total patient days by the number of days in the year (365 in 2006-07). See also Beds and Available beds.
Other domestic services	Includes staff services, accommodation, bedding and linen, hardware, crockery, cutlery, laundering and cleaning of uniforms.
Other specialised units/wards	Includes neurosurgical unit, acute spinal cord injury unit, burns unit, major plastic/reconstructive surgery unit, transplantation units, acute renal dialysis unit, infectious diseases unit, comprehensive epilepsy centre, clinical genetics unit, AIDS unit, diabetes unit, in-vitro fertilisation unit, alcohol and drug unit and other specialised services.
Patient	<p>A <i>patient</i> is a person for whom a hospital accepts responsibility for treatment and/or care.</p> <p>An <i>admitted patient</i> undergoes a hospital's formal admission process. Babies born in hospital are excluded unless they are provided with medical care other than that which would normally be provided to a newborn, or they remain in hospital after the mother has been discharged, or are the second or subsequent live born infant of a multiple birth and the mother is currently an admitted patient. Persons accompanying a sick patient (e.g. nursing mothers and parents accompanying sick children) are also excluded.</p> <p><i>Overnight-stay patients</i> are admitted to and separated from hospital on different dates (i.e. they stay at least one night in hospital).</p> <p><i>Same-day patients</i> are admitted and separated on the same day (i.e. they are in hospital for a period that does not include an overnight stay).</p> <p><i>Non-admitted patients</i> do not undergo a hospital's formal admission process. These include outpatients, accident and emergency patients and off-site (community/outreach) patients.</p>
Patient days	These are the aggregate number of days of stay (i.e. calculated as separation date minus admission date) for all overnight-stay patients who were separated from hospital during the year. Periods of approved leave are subtracted from these calculations. Same-day patients are each counted as having a stay of one day.
Patient revenue	Includes revenue received by, and due to, the hospital in respect of patient liability for accommodation and other fees, regardless of source of payment (Commonwealth, health fund, insurance company, direct from patient) or status of patient (whether admitted or non-admitted patient). It does not include recoveries (i.e. income received from items such as staff meals and accommodation, and facility fees paid by medical practitioners) or Other income (i.e. revenue such as investment income from temporarily surplus funds and income from charities, bequests, meals and accommodation provided to visitors, and kiosk sales.)

Patient separation	Occurs when an admitted patient: <ul style="list-style-type: none"> ■ is discharged ■ is transferred to another institution ■ leaves against medical advice ■ dies whilst in care ■ changes their type of care from/to acute, rehabilitation, palliative or non-acute care (known as statistical discharge), or ■ leaves hospital for a period of seven or more days.
Procedure	A clinical intervention that: <ul style="list-style-type: none"> ■ is surgical in nature; and/or ■ carries a procedural risk; and/or ■ carries an anaesthetic risk; and/or ■ requires specialised training; and/or ■ requires special facilities or equipment only available in an acute care setting. <p>For admitted patients, procedures undertaken during an episode of care are recorded in accordance with ICD-10-AM 5th edition).</p>
Psychiatric hospitals	Psychiatric hospitals are licensed/approved by each state or territory health authority and cater primarily for admitted patients with psychiatric, mental or behavioural disorders.
Recurrent Expenditure	Comprises expenditure on wages and salaries, drug, medical and surgical supplies, food supplies, domestic services, administrative expenses, repairs and maintenance, and other recurrent expenditure. For further information refer to the <i>National Health Data Dictionary</i> which is available on the AIHW web site < www.aihw.gov.au >.
Repairs and maintenance	Includes costs of maintaining, repairing, replacing and providing additional equipment, maintaining and renovating buildings, and minor additional works.
Specialised service	A facility or unit dedicated to the treatment or care of patients with particular conditions or characteristics.
Staff	Includes: <ul style="list-style-type: none"> ■ Staff employed by the hospital and contract staff employed through an agency in cases where the contract is for the supply of labour. ■ Nursing staff, comprising registered nurses, enrolled nurses and other personal care staff (e.g. orderlies, warders and nursing assistants). ■ Administrative and clerical staff, including computing staff, finance staff and civil engineers. ■ Domestic and other staff includes staff, includes including trades people, maintenance staff and staff engaged in cleaning, laundry services, the provision of food. ■ Diagnostic and health professionals, including qualified diagnostic health professionals, allied health professionals and laboratory technicians. <p><i>Full-time equivalent staff</i> represents the sum of full-time staff and the full-time equivalent of part-time staff. It is derived by adding the on-job hours worked and hours of paid leave (sick, recreation, long service, workers' compensation leave) by/for a staff member (or contract employee where applicable) divided by the number of hours normally worked by a full-time staff member when on the job (or contract employee where applicable) under the relevant award or agreement.</p>
Statistical discharge - type change	The process by which a hospital records a patient discharge when changing type of care. This occurs when the type of care changes from/to acute, rehabilitation, palliative or non-acute care.
Statistical divisions	These are groupings of the whole or part of legal local government areas. They are designed to be relatively homogeneous regions characterised by identifiable social and economic units within the region. Capital City Statistical Divisions, shown in some tables of this publication, comprise Sydney, Melbourne, Brisbane, Adelaide, Perth, Greater Hobart, Darwin and Canberra.

Type of centre	Free-standing day hospital centres are categorised by type according to their main economic activity. The following types of centres are separately categorised: <ul style="list-style-type: none">■ general surgery■ specialist endoscopy■ ophthalmic■ plastic/cosmetic■ other (which includes fertility and sleep disorder clinics).
Wages and salaries (including on-costs)	Includes wages and salaries, superannuation employer contributions, payroll tax, workers' compensation and workcare premiums, uniforms, education, personnel costs and fringe benefits tax.

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INTERNET

www.abs.gov.au the ABS website is the best place for data from our publications and information about the ABS.

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