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STATE VARIATION IN HOSPITAL BED SUPPLY, ACTIVITY AND EXPENDITURE

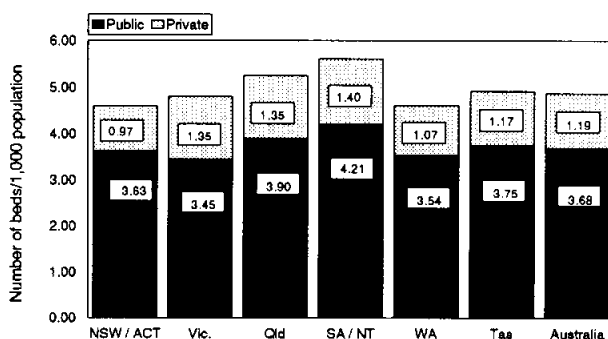
Introduction

This information circular presents data on bed supply, activity and expenditure in acute and psychiatric hospitals by State, with the national average for comparison. The Australian Capital Territory and the Northern Territory have been combined with New South Wales and South Australia respectively for confidentiality (due to small numbers of private hospitals). For convenience, reference will only be made to the *parent* States in this circular.

Bed Supply

Queensland had the second highest supply of both public and private hospital beds in 1991-92, exceeding the national average in both sectors (3.9 and 1.35 beds per 1,000 population in the public and private sectors, respectively) (Figure 1).

Figure 1: Number of Beds per 1,000 Population, 1991-92

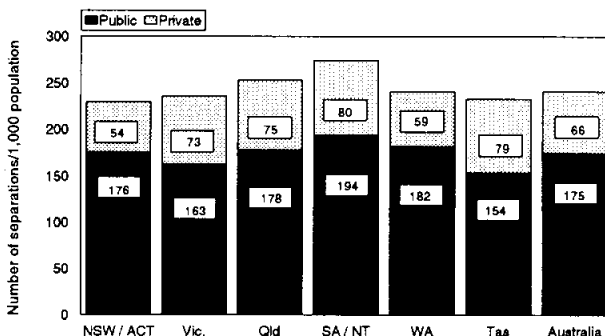


Source: ABS Catalogue No. 4391.0 - Hospitals, Australia 1991-92

Activity

Queensland had the third highest separation rate in the public and the private sector (178 and 75 separations per 1,000 population, respectively), exceeding the national average on both (Figure 2).

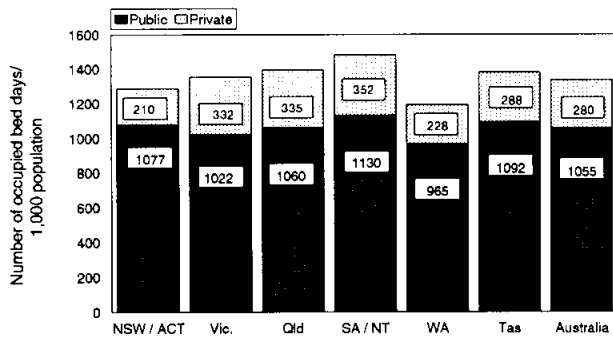
Figure 2: Number of Separations per 1,000 Population, 1991-92



Source: ABS Catalogue No. 4391.0 - Hospitals, Australia 1991-92

A slightly different pattern was observed for occupied bed days, with Queensland having the fourth highest bed day rate in the public sector and the second highest in the private sector (1,060 and 335 bed days per 1,000 population, respectively) (Figure 3). Both these rates exceeded the national average.

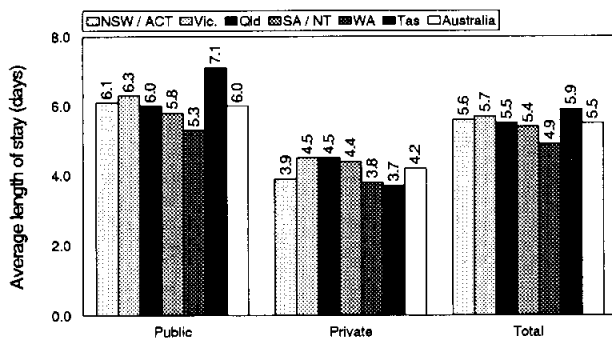
Figure 3: Number of Occupied Bed Days per 1,000 Population, 1991-92



Source: ABS Catalogue No. 4391.0 - Hospitals, Australia 1991-92

Total (public plus private) average length of stay for Queensland (5.5 days) was in the middle of the range of 4.9 (Western Australia) to 5.9 days (Tasmania), and was equal to the national average (Figure 4). While Queensland's average length of stay in the public sector (6.0 days) was equal to the national average, the average length of stay in the private sector (4.5 days) was the highest, along with Victoria.

Figure 4: Average Length of Stay (Days), 1991-92

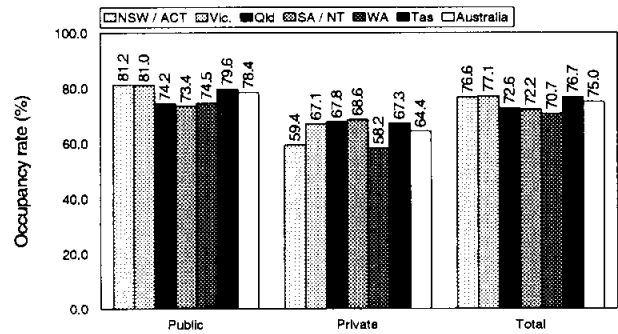


Source: ABS Catalogue No. 4391.0 - Hospitals, Australia 1991-92

Queensland's average occupancy for the public and private sectors combined was the third lowest of the states (72.6 per cent), with Western Australia having the lowest rate (70.7 per cent), and was below the national average of 75.0 per cent (Figure 5). However, while Queensland's average occupancy in the public sector (74.2 per cent) was second lowest of the states and lower than the national average (78.4 per cent), the average occupancy in the private sector (67.8 per cent)

was second highest of the states, and higher than the national average (64.4 per cent).

Figure 5: Occupancy Rate (%), 1991-92



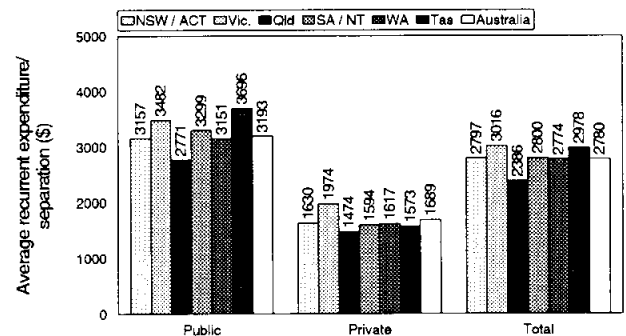
Source: ABS Catalogue No. 4391.0 - Hospitals, Australia 1991-92

Expenditure

Unadjusted costs

Queensland had the lowest costs per separation and per occupied bed day in the public and private sector, and when averaged across both sectors. In the public sector, average costs per separation ranged from a low of \$2,771 in Queensland to a high of \$3,696 in Tasmania (Figure 6). For private hospitals, Queensland was also the least expensive at \$1,474 per separation, with the highest cost in Victoria (\$1,974).

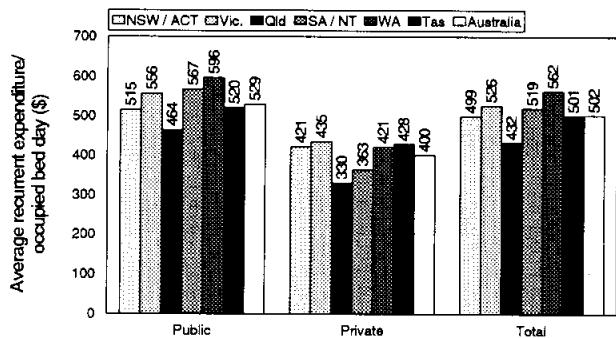
Figure 6: Average Recurrent Expenditure per Separation (\$), 1991-92 (Unadjusted)



Source: ABS Catalogue No. 4391.0 - Hospitals, Australia 1991-92

Queensland and Victoria were also at the extremes for costs per occupied bed day in the private sector (\$330 and \$435, respectively) (Figure 7). In the public sector, cost per bed day was least in Queensland (\$464) and greatest in Western Australia (\$596).

Figure 7: Average Recurrent Expenditure per Occupied Bed Day (\$), 1991-92 (Unadjusted)



Source: ABS Catalogue No. 4391.0 - Hospitals, Australia 1991-92

Adjusted costs

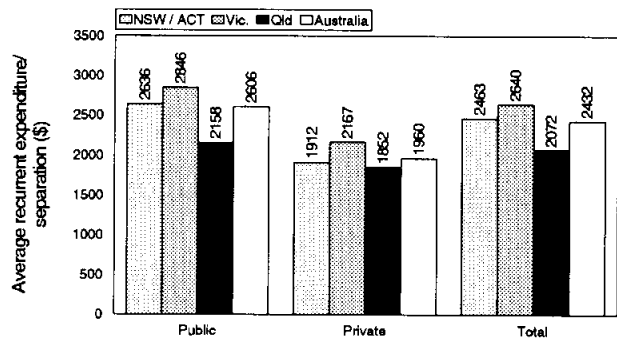
Adjusted costs improve comparability between costs in the public and private sectors. This is achieved by adjusting for the cost of non-inpatient activity, and adding in the estimated costs of medical services to private patients in both public and private hospitals. The cost of providing one day of care for an inpatient is equated with the cost of providing 5.753 non-inpatient services. Adjustments are also made by subtracting depreciation and interest payments from the total recurrent expenditure for private hospitals; these amounts are not reported for public hospitals. The result of these adjustments is an estimate of the full cost of providing hospital services, rather than just hospital expenditures.

Data on non-inpatient activity and private medical costs were available for both sectors at the State level in New South Wales, Victoria and Queensland only, hence bed day and separation costs adjusted for these factors are presented for these States only. Data were not available for the remaining States individually, but

the data for these States are included in the national figures.

After adjustment, Queensland had the lowest cost per separation in the public and private sectors (\$2,158 and \$1,852, respectively) (Figure 8). New South Wales and Victoria showed a much greater differential between public and private hospitals.

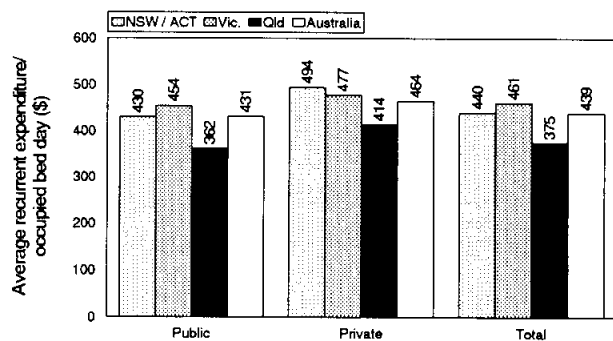
Figure 8: Average Recurrent Expenditure per Separation (\$), 1991-92 (Adjusted)



Source: ABS Catalogue No. 4391.0 - Hospitals, Australia 1991-92

The cost per occupied bed day after adjustment was lower in public hospitals for all three States (Figure 9) compared to unadjusted costs. Again, Queensland had the lowest cost in both sectors. Victoria had the highest cost per occupied bed day in the public sector (\$454) while New South Wales had the highest private sector cost (\$494 per day).

Figure 9: Average Recurrent Expenditure per Occupied Bed Day (\$), 1991-92 (Adjusted)



Source: ABS Catalogue No. 4391.0 - Hospitals, Australia 1991-92

Summary

- Supply is high in Queensland (measured by bed supply)
- Queensland has medium to high (higher than the national average separations and occupied bed days, and about equal to the national figures for average length of stay) levels of activity, with the exception of occupancy rate which tends to be lower than the national average, except for the private sector.
- However, expenditure for Queensland is consistently lower than all other states and nationally for both sectors, whether measured by unadjusted or adjusted costs.

Note:

Definitions of terms used in this circular are consistent with those described in the glossary of terms, ABS Catalogue No. 4391.0 - Hospitals, Australia 1991-92