



Australian Government  
Department of Health

# Private Health Insurance Circular

Private Health Insurance Branch  
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## **Release of 2016-17 HCP and PHDB Annual Reports and revised 2014-15 and 2015-16 HCP Annual Reports**

### HCP ANNUAL REPORT

The Hospital Casemix Protocol (HCP) 2016-17 Annual Report has been released on the Department of Health website. Due to changes in the structure of the report and the methodology used to produce table statistics, an updated version of the previously released 2014-15 and 2015-16 Annual Reports has also been released to enable comparability. The Reports are available in Excel format and contain summarised data collected from private health insurers through HCP.

The main change to the HCP Annual Report methodology involved aligning the charges and benefits data in the HCP1 *Medical Record*, after rules were applied to only include records with valid charges and benefits amounts, with the corresponding separations in the HCP1 *Episode Record*. After making this refinement, average gap payments fell slightly compared to previously released figures in the 2014-15 and 2015-16 HCP Annual Reports. Hospital component amounts remain unaffected by this change in methodology.

An additional minor change to the HCP Annual Report methodology involved increasing the gap payment *fuzz factor* from 5 cents to 10 cents. As a consequence, any gap payments calculated as less than or equal to 10 cents were set to \$0 (i.e. no gap). Further inspection of HCP data revealed a large number of additional records where a gap amount existed but was less than \$1. To highlight this issue, the Department has introduced gap payment distribution charts into the HCP Annual Report structure (see Figures 1 to 4). These figures show the percentage of separations/services according to eight groups (e.g. No gap, under \$1, \$1 to \$99, \$100 to \$199 etc.).

Tables include statistics related to Care Type, Completeness, Charge Components, Patient Age Groups, Medical services and Australian Refined - Diagnosis Related Groups for privately insured separations in public and private hospitals.

The 2016-17 HCP Annual Report is available to download from the following URL:

<http://www.health.gov.au/internet/main/publishing.nsf/Content/health-casemix-data-collections-publications-HCPAnnualReports>

The revised 2014-15 and 2015-16 HCP Annual Report is available to download from the following URL:

<http://www.health.gov.au/internet/main/publishing.nsf/Content/health-casemix-data-collections-publications-HCPAnnualReportsArchived>

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## PHDB ANNUAL REPORT

The Private Hospital Data Bureau (PHDB) 2016-17 Annual Report has been released on the Department of Health website. The Reports are available in Excel format and contain summarised data collected from private hospitals through PHDB.

In previous PHDB Annual Reports, completeness rates were determined by comparing the number of separations in PHDB with the number in the Admitted Patient Care (APC) national data collection, after adjusting for several hospitals in the APC data that are privately owned/operated but treated as public hospitals in published figures by the Australian Institute of Health and Welfare. In the 2016-17 PHDB Annual Report, no adjustments have been made to the APC count of separations before calculating the completeness rate.

Tables include statistics related to Care Type, Completeness, Charge Components, Funding source, Patient Age Groups and Australian Refined - Diagnosis Related Groups for private hospital separations.

The 2016-17 PHDB Annual Report is available to download from the following URL:

<http://www.health.gov.au/internet/main/publishing.nsf/Content/health-casemix-data-collections-publications-PHDBAnnualReports>

Previous PHDB Annual Reports are available to download from the following URL:

<http://www.health.gov.au/internet/main/publishing.nsf/Content/health-casemix-data-collections-publications-PHDBAnnualReportsArchived>

The Department notes there is an issue in the HCP (hospital to insurer), HCP1 (insurer to Department) and PHDB data involving the supply of non-admitted service data such as those involving patients receiving services as outpatients, or visited by community nurses at home. In particular, these relate to the AR-DRG (version 7.0) U60Z (Mental Health Treatment without ECT, Sameday).

As outlined in the relevant data specifications, HCP, HCP1 and PHDB data should only contain *admitted patient care* episodes. Unfortunately, a relatively small number of these additional non-admitted records are currently included in both the HCP and PHDB Annual Reports as there is insufficient information available to enable the Department to exclude them. The Department will consult with hospitals, health insurers and software vendors to ensure future data submissions are consistent with the scope of each data collection and contain admitted episodes only.

Any queries regarding this matter should be emailed to [casemix.queries@health.gov.au](mailto:casemix.queries@health.gov.au)