



NCOSS FACT SHEET: COAG HEADS OF AGREEMENT ON HEALTH REFORMS – WHAT'S CHANGED?

(February 2011)

Reform area	Heads of Agreement on National Health Reform (February 2011)	National Health and Hospital Network Agreement (April 2010)
Public hospital funding	Base funding to continue as per IGAFRR and NHA. Commonwealth to fund 50% of efficient growth costs.	Commonwealth majority funder (60%) of public hospital services.
Top-up funding (2014/15 – 2019/20)	\$16.4bn	\$15.6bn
Activity based funding	Unchanged	Funding based on nationally efficient price of service. Block funding in smaller regional/rural hospitals
Independent Hospital Pricing Authority	Unchanged	Set national efficient price for public hospital services
Funding mechanism	Commonwealth and States to contribute all hospital funding into single national pool. Allocated to State accounts by independent national funding body.	Commonwealth funding paid to National Funding Authority. Distributed to separate Funding Authorities in each State.
Performance standards and reporting	National standards revised. Increased role for Australian Common on Quality and Safety in Health Care (ACQSHC) in clinical standards. Reporting via MyHospitals website.	Performance standards for elective surgery, emergency department and sub-acute care services. New National Performance and Accountability Framework, including reports on hospitals and health care services. New National Performance Authority to report on performance
Local Health Networks	Unchanged	Separate legal entities responsible for providing public hospital services, overseen by Governing Council. States remain system managers.
Medicare Locals	Continued. Numbers increased and establishment brought forward. Flexible funding to target services to meet local need over time.	New independent entities responsible for coordinating and integrating primary health care services in local communities
Primary health care	Status of some services still unclear. States have lead role in public health.	Commonwealth to have full funding and policy responsibility for <i>some</i> categories of GP and primary health care services. Some areas TBD, e.g. mental health
Aged care	Unchanged	Commonwealth to have full funding, policy, management and delivery responsibility for a national aged care system