

28 January 2025

Department of Health and Aged Care  
PO Box 9848  
Canberra ACT 2601  
[Private.Hospitals@health.gov.au](mailto:Private.Hospitals@health.gov.au)

Dear Sir/Madam,

**RE: Private Hospital Data Collection Framework – Consultation Paper**

The Australian Private Hospital Association (APHA) is dismayed by this consultation proposing a new framework for private hospital data collection.

That the Department is seeking to collect proprietary information from private hospitals as a matter-of-course, given the absence of any action coming from the provision of this sensitive data as part of the private hospital viability health check, is highly inappropriate.

In early 2024, APHA members provided the government with unprecedented access to sensitive commercial information as part of a specific inquiry on private hospital viability. There was an expectation that this data and information would support the basis for critically needed reforms and workable short-term solutions from government.

No action or even worthwhile measures to address the \$3 billion shortfall in funding to private hospitals have been forthcoming.

The recent release of a proposed options paper for discussion as part of a second round of CEO Forum talks by the Department, the final summary report of the financial health check, and the media releases from government have confirmed that this goodwill has not been reciprocated and the information provided has fallen on deaf ears.

The provision of sensitive commercial data was a one-off. Given no action, let alone worthwhile action, has been forthcoming from government, the APHA is not inclined to recommend to its members that they comply with this onerous and unreasonable request.

The government has continued to subject the sector to arduous consultation processes, while excluding any discernible consideration of the sector's contribution. We have consistently proposed common sense short and medium-term solutions, including recommending that the Commonwealth re-establish and restore funding for the Private Health Establishments Collection (PHEC) by the Australian Bureau of Statistics (ABS) to ensure the adequate, reliable, and consistent monitoring of the viability and condition of the private hospital sector.

The 2020-25 National Health Reform Agreement (NHRA) expressly notes the agreement of parties to it to 'develop and implement enhanced performance reporting across the whole care pathway including: Increased coverage and reporting of private hospital sector activity and performance'. It also states that the Australian Institute of Health and Welfare (AIHW) will 'provide clear and transparent annual public reporting of the performance of every Local Hospital Network, the hospitals within it, every private hospital and every Primary Health Network'.

There is a clear and present need to ensure the adequate monitoring of viability and condition of the private hospital sector, as the public summary document for the Private Hospitals Health Check confirmed last year. This can be achieved without subjecting private hospitals to further onerous data collections, let alone the unrealistic request for them to provide commercially sensitive materials as a matter-of-course.

The Commonwealth operated a suitable annual PHEC process prior to 2017-18, which provided a legitimate and reliable collection of data for the sector. The first collection conducted by ABS was in respect of 1991-92, the collection continuing successfully with a trusted and effective methodology for some 25 years. The absence of this collection has made it increasingly difficult to maintain stock of the challenges to the sector and costs. Existing methodologies can help reinvigorate this data collection without a time lag that would likely arise out of the development of a new framework.

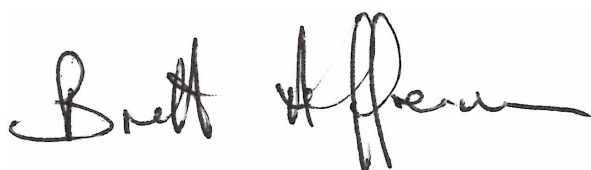
The main outputs from the PHEC included private hospital data on structure, accreditation, facilities and specialised services, whether they were for profit or not for profit (for acute and psychiatric hospitals only), available beds, type of centre (for free-standing day hospitals only), type of activities (patients separations and the number of patient days during the year), procedures performed, morbidity data, staffing and finances.

Where there is already a comprehensive and previously successful framework for data collection, it is unreasonable and symptomatic of bureaucratic ineptitude, to consult on developing another. The methodology for the PHEC provided appropriate coverage of the sector and collected data on most, if not all, of the proposed aspects for the proposed data collection. It would be quicker, easier and more efficient to re-establish the PHEC. It would also be less intrusive on private hospitals and less burdensome for private hospital employees. Re-establishing the PHEC would ensure that taxpayers get value from not reinventing the wheel and that the sector and government have rapid access to information.

We encourage the Department to re-establish the PHEC instead of seeking to develop a new onerous data collection framework.

Please do not hesitate to reach out to my office at [info@apha.org.au](mailto:info@apha.org.au) for further information.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Brett Heffernan', with a long horizontal flourish extending to the right.

Brett Heffernan  
**CHIEF EXECUTIVE OFFICER**