



Day Hospitals
AUSTRALIA



PROFILE

Day Hospitals Australia and the
Day Hospital Industry

www.dayhospitalsaustralia.net.au

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FOREWARD

Increased expectations of consumers and service providers of health care have led to a dramatic growth of day hospitals in Australia and worldwide. Day hospitals play a major role in health care delivery with 357 private stand-alone facilities throughout Australia providing surgical, diagnostic and medical care*.

The specialised nature of Day Hospitals has led to:

- better outcomes for patients
- reduced length of stay
- reduced costs
- increased efficiency and high level of competency, due to specialisation
- higher quality of care
- increased patient satisfaction
- benefits to staff and clinicians
- minimal complications and minimal infections

This document serves as a guide to the private stand-alone day hospital sector in Australia. We hope you find the contents relevant and informative. It is important to note that the statistics in the comparative section are restricted, due to limited data in this area. Day Hospitals Australia is currently working with several agencies with a view to improving day hospital sector data. There is strict governance and regulatory control of day hospitals including, but not limited to, jurisdictional licensing, accreditation and since 2013 compliance with the National Safety and Quality Health Service Standards and as of January 2019, compliance with the second edition of the National Safety and Quality Health Service Standards. Contractual agreements with health insurance funds play a major role in determining the viability of a day hospital. Many day hospitals are forced to rely on the second tier default benefit (safety net) when not able to negotiate a suitable contract. Day Hospitals Australia was pleased to see the retention of the Second Tier Default Benefit as announced by the Minister for Health in October 2017 as part of the Private Health Insurance Reforms. This also included reforms relating to the application and management of Second Tier process changing to the Department of Health.

Day Hospitals Australia represents over 70% of the day hospitals in Australia (as at July 2019) and has grown rapidly in response to the demands of this developing sector. Day Hospitals Australia is recognised as the peak industry body and works to strengthen and support the day hospital sector through promotion, advocacy and representation. To achieve its aims, Day Hospitals Australia is working to strengthen relationships with its members and partnerships with Federal and State Governments, Health Insurers, relevant services providers and other bodies and the Community.

Day Hospitals Australia seeks to work collaboratively with the many organisations in the healthcare arena to improve healthcare services and outcomes for the Australian community. As clinical techniques and medical technology continue to develop and improve, the range of treatments suitable to be undertaken in day hospitals is rapidly increasing. Day Hospitals Australia is committed to the day hospital sector; to facilitate communications to industry and between membership; to support professional development and research; to represent the sector to Government; and to advocate for recognition and funding to ensure the viability of this significant contributor to Australian healthcare.

Jane Griffiths
Chief Executive Officer

There are **357**

PRIVATE STANDALONE
DAY HOSPITALS
ACROSS AUSTRALIA



There were

1.2M

episodes performed in
Day Hospitals FY2017-18

There has been a

6-7%



GROWTH ANNUALLY IN
DAY HOSPITAL ACTIVITY

There has been a

12%

GROWTH IN THE
NUMBER OF DAY
HOSPITALS OVER
THE PAST 5 YEARS



22%



of separations
in the private
hospital sector
occurred in

DAY HOSPITALS

THE LARGEST
AGE COHORT
ADMITTED TO
DAY HOSPITALS
WAS

65-74



QPS PATIENT
SATISFACTION
SITS AT AN
AVERAGE OF

92%



DAY HOSPITALS OFFER A
VALUE PROPOSITION TO
THE HEALTH CARE SYSTEM,
BOTH PRIVATE AND PUBLIC

DAY HOSPITALS REPRESENT

54%

of the private
hospital sector



Australian Hospital Statistics reflect the
FY2017-18 as provided by the Australian
Institute of Health and Welfare



www.dayhospitalsaustralia.net.au

June 2019



HISTORY

Day Hospitals Australia, formerly known as the Australian Day Hospital Association and previously as the Australasian Day Surgery Association (ADSA), was first registered with the Australian Securities and Investment Commission (ASIC) on 1 July 1992.

Between 2010 and 2014, the organisation grew significantly and required additional infrastructure to ensure that operational objectives were achievable. The Board of Directors was formed in 2009 and they appointed the inaugural Chief Executive Officer on 1st July 2014, increasing staff numbers to four.

In August 2016, the Australian Day Hospitals Association was rebranded as Day Hospitals Australia to better describe our purpose and position as the peak body for the day hospital sector.

One of the organisation's significant initiatives is to promote day hospital treatment at the annual National Conference, which is designed to support and educate the day hospital sector.

Members also have the opportunity to attend regular meetings in their State or Territory where there is an established Day Hospitals Australia Chapter. For members in areas where there is not an established Chapter, or those from more remote regional areas, members have access to a regular teleconference chaired by the CEO, which enables them to be brought up to date with current issues and provides a forum for questions and discussion.

Day Hospitals Australia represents the industry at a National, State and Industry level and as issues arise where it is applicable task force working groups are established comprising member representation to provide feedback and advice on the specific issue.

Day Hospitals Australia delivers a range of quality services to members and continues to develop initiatives and provide advice to the industry. Our services include the provision of tool kits for various business activities, purchasing contracts from various suppliers, regular communication via the Website, Weekly Bulletin and Chapter Meetings. The organisation serves as a direct resource to provide support with respect to issues raised by members.

VISION STATEMENT

Our vision is the advancement of the Day Hospital sector, as an essential element in the delivery of safe, high quality, cost efficient, patient centred care in contributing to the sustainability of the Australian healthcare system.

PURPOSE

As the peak industry body Day Hospitals Australia will:

1. Lead advocacy for day hospitals in Australia at all levels of Government and with all key stakeholders
2. Be an irreplaceable resource for all facility members, supporting them to:
 - a. efficiently and effectively operate their day hospitals
 - b. deliver outstanding patient-centred care
 - c. navigate the legal and regulatory environment
 - d. develop and promote new models of care appropriate to the day hospital setting
 - e. recruit, educate and retain staff with competencies that ensure the delivery of quality care
 - f. adapt to challenging and unforeseen circumstances
 - g. connect and network on a regional and national level
3. Represent and support our non-facility members (Industry and Individual) in areas specific to their needs to assist in their growth and development within the day hospital sector

CORE STRATEGIES & OBJECTIVES

1. Deliver irreplaceable value to our members
2. Build strategic stakeholder relationships to advance our purpose
3. Develop the most insightful targeted dataset on day hospitals which both adds value to our members, and advocates for day hospital growth in Australia
4. Review of current accreditation practices and advocate for change that better reflects the quality and specialised nature of day hospitals
5. Grow revenue and Day Hospitals Australia's financial stability and sustainability
6. Ensure Day Hospitals Australia's continued success by investing in systems and organisational capacity for business continuity

GOVERNANCE

Day Hospitals Australia is a public company, governed by a Constitution. It is required to meet the legal requirements of the Australian Securities and Investment Commission (ASIC).

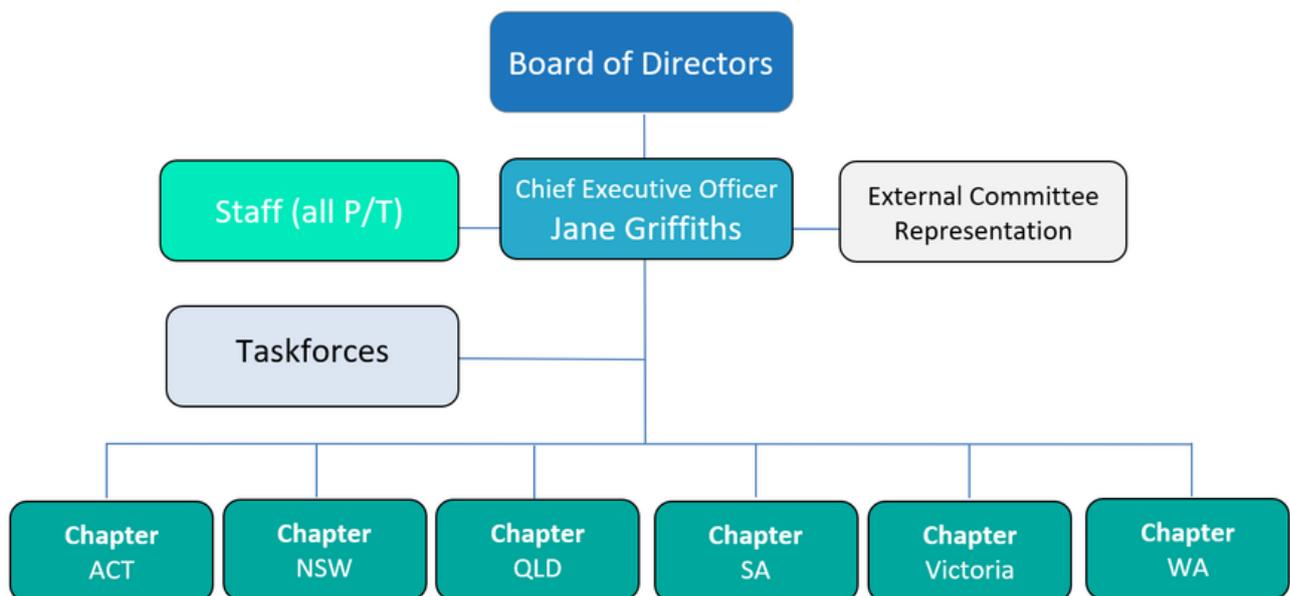
The inaugural CEO was appointed 1st July 2014. At the time, Day Hospitals Australia had a Board of Directors, consisting of six Directors representing NSW, QLD, SA, VIC, WA and the ACT.

To further enhance the Governance responsibilities of the Board in 2016 the Constitution was amended to allow Independent Directors as well as member directors on the Board. The first Independent Chairperson, Prof Gabor Kovacs AM, was appointed in February 2017 and served a 2 year term. In March 2019 the Board was pleased to welcome Mr Philip Truskett AM as the new Board Chairperson. Martin Leonard was appointed Independent Director and Treasurer in October 2016 and contributed 7 significant years to Day Hospitals Australia in several Board positions until his departure in October 2019. Rodney Fox was appointed as an Independent Director in September 2019 and took on the additional Treasurer role in October 2019.

Chapters are established in Queensland, South Australia, Victoria, New South Wales, Western Australia and the ACT, and generally meet on a quarterly basis.

Day Hospitals Australia staff consists of three part time staff located in Perth, Adelaide and Brisbane, and the CEO based in Perth.

ORGANISATIONAL CHART



MEMBERSHIP

Membership categories currently include:

Day Hospital Member

Day hospitals must be stand-alone facilities, appropriately licensed with a State Health Department (not applicable in the NT) and accredited by an approved body in accordance with the Commonwealth Legislation of April 2007. Membership confers privileges to all employees, owners and directors of the nominated day hospital.

Preliminary Member

Preliminary membership is available to Day Hospitals under development that may not yet have achieved State or Territory licence or legislative compliance or recognised accreditation, the status of which will be reviewed annually

Industry Member

Membership is accepted from a person or a company working or supporting the health industry environment, but who is not included in the above category.

Affiliate Member

Membership is available to small overnight private hospitals under 100 licensed beds not affiliated with overnight hospitals over 100 beds.

Individual Member

A member who is a natural person and can demonstrate extensive experience, knowledge, active involvement and commitment to the day hospital sector during their professional career in the Private Health Sector.

International Associate Member

Access to all partner contracts and agreements that operate overseas, member access to the website, receives the weekly Bulletin and a reduced annual national conference delegate fee.

Honorary Life Member

A membership that is bestowed upon an individual by the Day Hospitals Australia Board of Directors.

EXTERNAL COMMITTEE REPRESENTATION

Day Hospital Australia is represented on the following external committees:

- Australian Council on Health Care Standards (ACHS)
- ACHS Standards Committee
- Australian Commission of Safety and Quality (ACSQHC) Private Sector Group
- ASCQHC Patient Centred Reporting Steering Committee
- Hospital Casemix Protocol Workshop and PHDB Working Group
- International Association for Ambulatory Surgery (IAAS)
- National Procedure Banding Committee
- NSQHS Standards Steering Committee (ceased December 2018)
- NSW Health Private Health Facilities Advisory Committee
- Private Health Ministerial Advisory Committee (PHMAC)
- Prosthesis List Advisory Committee and Industry Working Group on Benefit Setting and Review Framework
- Standards Australia Committees



HISTORY OF DAY SURGERY

Day surgery dates back to the 1840s when Crawford Long, Horace Wells and William Morton performed anaesthesia in office-based settings in the USA (2).

By the turn of the 20th Century, between 1899 and 1908, James Nicholls performed 8,988 ambulatory anaesthetics (day case) on children, in a purpose-built free-standing day surgery in Glasgow, Scotland (1, 3, 5).

In 1919 in Sioux City, Iowa, Ralph Waters opened the Downtown Anaesthesia Clinic, an outpatient clinic (1, 3, 5).

After this period, outpatient surgery and anaesthesia became less common, as successes in anaesthesia and surgery led to a trend in hospitalisation. The culture of both medical and nursing personnel was that rest after surgery was the major contributing factor in a patient's recovery (5).

There were occasional journal articles published suggesting the possibility of performing minor surgical procedures on an outpatient basis, such as hernia repair. The British Medical Journal published an article in 1948 warning surgeons that allowing patients who had undergone abdominal surgery, including hernia repair, to leave the hospital within 14 days post-operatively would place them 'in a difficult position if complications occur'. (3) Many hospitals during this period had separate convalescence units situated in the countryside or in seaside resorts (5).

In the 1950s and the early 1960s some individuals around the world performed day surgery, recognising the potential for early ambulation and the economic advantages of day surgery. Overall there was little organised effort to pursue outpatient surgery and anaesthesia until the 1960s when, the University of California at Los Angeles, USA opened an outpatient clinic within the hospital in 1962 (1).

In 1966 George Washington University Hospital (USA) opened an ambulatory surgery facility, and in 1968 Providence, Rhode Island, also opened a hospital-based facility (1).

The first purpose-built day surgery unit since the early 1900s was opened in 1969. Reed and Ford opened their Surgicenter in Phoenix, Arizona, which was located in close proximity to the Good Samaritan Hospital, but was not affiliated with the acute care hospital (1, 2, 3).

There was a gradual increase in the number of day units opened in the USA, UK, and Canada after this period. Day surgery rates throughout the world have steadily increased over the past 25 years, but this differs from country to country, within countries, and between hospitals.

For example, in the USA from 1985 to 1994 the percentage of elective surgery undertaken on a day basis increased from 34% to 61%, and in the UK from 1989 to 2003 day surgery has increased from 15% to 70% (1).

In 1982 Australia's first purpose built day surgery opened in Dandenong, Victoria (8). Over the following 10 years, 83 private stand-alone day surgery centres were built throughout Australia, and by December 1996 there were 143 registered free-standing day surgery centres. In 2002 this had escalated to 234 (6).

As of 2017, the Commonwealth Department of Health and Ageing statistics indicate Australia has 357 registered private stand-alone day hospitals (21). Many of these centres are multidisciplinary, but there has been a notable increase in eye surgery and dermatology centres (7).

Approximately 60% of all acute surgical procedures are performed in day hospitals, and within some specialties such as Ophthalmology this is nearly 90% (1).

Stand-alone hospital ownership can be held by either for-profit or not-for-profit organisations, such as large corporate, religious or single owner operators and private health insurance funds.

Stand-alone day hospitals are not the only providers of day surgery in Australia, with day procedures also performed in facilities:

- that are integrated with the existing surgical facilities at a hospital
- of an existing hospital that shares surgical facilities but has separate admission and ward facilities for day patients
- purpose-built day procedure centre within an existing hospital
- that treat day hospital patients as inpatients in a hospital that has no specific day hospital program, and
- office-based facilities.

Facilities range in size from a one-theatre complex, mainly performing procedural and local or IV sedation anaesthetic surgical cases, up to large 4–8 theatre complexes performing advanced surgical procedures.

Some stand-alone day hospitals have moved to 23 hour licensing. Extended recovery is required when the unit performs intermediate type operations requiring additional recovery time. In addition, some elderly patients with inadequate social support may also be unsuitable for discharge on the day of surgery. Patients are admitted one day and are discharged the next day, generally first thing in the morning within the 23 hour period.

The major factors contributing to the growth of day surgery have been the developments in anaesthesia over the past two decades. The use of short-acting anaesthetic agents with minimal side effects, the laryngeal mask airway, multimodal analgesia, improved inhalation anaesthetic agents, and regional anaesthesia are some of these improvements. (1)

New surgical techniques and improvements in surgery requiring minimally invasive access have also been developed, e.g. endoscopic surgery. Patient selection and improved pre-operative assessment have also added to day surgery growth in Australia.

Over the last decade day hospital groups have emerged providing their hospital members with resources and management support.

Established Day Hospital Groups

Over the last decade day hospital groups have emerged providing their hospital members with resources and management support.

- ICON Cancer Care
- CURA
- Healius / Montserrat
- NEXUS
- Vision Group
- Virtus Health
- Genea
- Baxter
- Presmed
- B Braun
- Marie Stopes
- Fresenius Dialysis
- Health eCare
- Melbourne Endoscopy

Specialisation has led to

- Better outcomes
- Higher quality of care
- Increased patient satisfaction
- Reduced costs
- Reduced length of stay

Patient selection for day surgery

- General health
- Obesity
- Patient willingness
- Post-discharge carer support
- Social circumstances
- Transport and distance from the hospital

Service Delivery

Within the current private stand-alone day hospital sector the types of services that are delivered include:

- Cardiac Catheterization
- Cosmetic Surgery
- Dental
- Dermatology
- Dialysis
- Ear, Nose & Throat
- Endoscopy
- General Surgery
- Gynaecology
- Haematology/oncology
- In Vitro Fertilisation
- Laparoscopic Surgery
- Oncology
- Ophthalmology
- Oral/Maxillofacial
- Orthopaedic
- Paediatric Surgery
- Plastic Surgery
- Sleep Disorders
- Urology

INTERNATIONAL COMPARISONS

Canada

Canada has a Medicare system, described on the Health Canada website as follows:

Canada's national health insurance program, often referred to as 'Medicare', is designed to ensure that all residents have reasonable access to medically necessary hospital and physician services, on a prepaid basis. Instead of having a single national plan, we have a national program that is composed of 13 interlocking provincial and territorial health insurance plans, all of which share certain common features and basic standards of coverage. Framed by the Canada Health Act, the principles governing our health care system are symbols of the underlying Canadian values of equity and solidarity.

According to the Canadian Institute for Health Information (14): There are some misconceptions about what Canadian and provincial law allows and prohibits. In a nutshell:

- Every province allows doctors to practise outside of the public system. In 2004, Ontario enacted legislation that prohibits new doctors from opting out but allowed those who had previously left the public system to continue to practise.
- Five provinces (B.C., Alberta, Saskatchewan, New Brunswick and P.E.I.) allow doctors to practise both inside and outside of the system. The others do not. Three provinces (Manitoba, Ontario and Nova Scotia) do not allow opted-out physicians to charge their patients more than the public tariff for services.
- Five provinces (B.C., Alberta, Manitoba, Ontario and P.E.I.) prohibit private insurance for services covered by the Canada Health Act. Quebec were also in this category until the Supreme Court ruled that the prohibition was illegal.
- Several provinces allow the public system to contract with private clinics to deliver publicly insured services.

This report goes on to say that there is no comprehensive source of information regarding how much private health care there is in Canada, but it is a growing industry. The four largest provinces, Ontario, Quebec, British Columbia, and Alberta, are leading the sector, with private surgical centres offering cataract, orthopedic, and cosmetic surgery.

The 2007 "Analysis in Brief — Trends in Acute Inpatient Hospitalizations and Day Surgery visits in Canada, 1995–1996 to 2005–2006" (14) indicates:

- an increase in all surgery by 17.3%
- a decrease of 16.5% in the surgery performed as an inpatient
- an increase in day surgery visits by 30.6%
- a decrease in the average length of stay of the acute care inpatient

One article was found regarding breast cancer surgery performed as day surgery. There has been an increase from 8.7% to 41% of this type of surgery being performed during the period 1986–1999 in Canada. The article reports that most of this increase was due to breast conserving surgery, with 57% done in day surgery in 1999.

One article was found regarding breast cancer surgery performed as day surgery. There has been an increase from 8.7% to 41% of this type of surgery being performed during the period 1986–1999 in Canada. The article reports that most of this increase was due to breast conserving surgery, with 57% done in day surgery in 1999.

United Kingdom

Day surgery rates, represented as a percentage of all surgical procedures in the National Health Service (NHS), were as low as 1.8% in 1978 and by 1983 they had risen to 26.8% (17). From that relatively low percentage in 1983 it is now reported that across the whole NHS the percentage has increased to 67.2% (16).

This has come about in the UK as a result of a very active program — the NHS Modernisation Agency Day Surgery Program, where local Health Authorities have demonstrated the potential to increase their day case rates by 6 - 10% a year. There are 10 procedures used to benchmark growth and potential to increase from the national day case rate as follows:

Current % day case rate vs. inpatient

Arthroscopy	73.1
Cataract	90.6
Cystoscopy	19.1
E/ Dupuytren's contracture	41.7
Extraction of wisdom teeth	87.9
Gastroscopy	72
Myringotomy / Grommets	85
Termination of Pregnancy	89
Varicose Veins	54.4

Australia

In Australia the increase in same day surgery is also evident. ABS statistics show that separations have increased by 93% from day hospitals between 2000 and 2016 and operating theatres in day hospitals have increased by 56%.

In 2016/17 53% of hospitalisations were for same day acute care, and 21% of separations (940,000) occurred in stand-alone day hospital facilities. The average number of same day hospitalisations rose by 9.95% for private hospitals between 2012/13 and 2016/17 (24). The most common categories for same day acute care were dialysis, other medical care including chemotherapy, cataract surgery and abdominal and pelvic pain. In 2016/17 there were 3310 beds or chairs available in day hospitals compared to 2251 in 2001/02.

In 2019, 44.2% of the Australian population (or 11,227,569 people) had private health insurance with Hospital Treatment cover and 53.3% of the Australian population (or 13,593,547) people had some form of private health insurance cover. (22)

The four main types of free-standing specialty day hospitals in 2010 – 2011 were Gastroenterology (24.09%), Ophthalmic (22.69%), Plastic/Cosmetic (8.1%) and Gynaecology, Fertility treatment and Family planning (10.64%). The remaining percentage (34%) of day hospital facilities offered more than one specialty including Dental, Oral Maxillofacial surgery, Renal dialysis, Oncology, General surgery, Sleep disorders clinics and other types of centres (23).

Quality Performance Systems (QPS) Benchmarking data for the period 2011 to 2014 involved contributions from 80 day hospitals. There was a high patient satisfaction demonstrated with an average mean for the period of 96% and an average range of 88% to 100%. The infection prevention and control system assessment demonstrated a mean of 97.27%. Unplanned transfers to an inpatient facility are rare and QPS Benchmarking data from April to June 2014 demonstrated a mean of 0.05% with a range of 0.00% to 0.10%.

Quality Performance Systems (QPS) Benchmarking data for 2017/2018 indicates a high average of 92.37% for patient experience with a range from 80.10% to 98.63%. Then unplanned transfer rate in the quarter April to June 2018 of 0.06% demonstrates the effectiveness of patient assessment and selection for same day surgery.

WHY DAY SURGERY

A focused speciality hospital can maximise the benefits of its investment in technology and specialised staff.

There is a high standard of care - facilities are only approved and registered as a day hospital when the standards for efficient and safe service delivery are met and certified by an external accrediting agency.

Advantages for Patients

- Day Surgery provides the patient with a specifically defined treatment pathway beginning with written clinical and financial information about their medical treatment. This is followed by a pre-admission interview which can be by phone or in person. After admission and receiving treatment the patient moves to the recovery area from where they are discharged when the staff are satisfied that the patient is well enough to go home. The patient usually receives a follow up phone call at home to assess their recovery. Upon discharge the patient and their escort person will be provided written discharge instructions.
- Treatment and information given and received can be tailored to a person's specific requirements promoting a greater sense of wellbeing. Developing a relationship of trust with the patient before admission and focusing on their individual needs is reassuring for the patient and reduces anxiety levels.
- Day surgery allows the patient to return to the comfort of their own home on the day of their surgery. This also assists in reducing anxiety for the patient and lessens the stress for the carer (1). The quick return home means that in the majority of cases there is a faster return to the normal activities of daily living with less time away from work.
- The margin for error is greatly reduced with day surgery as the patient is attended by a small specialised team who manage the care of the patient throughout their episode of treatment. Continuity of care is a major focus for the team.
- Day surgery reduces the disruption to a patient's way of life because the period of hospitalisation is generally between 4-6 hours and no more than twenty three hours. This is especially important for children who may become distressed if they are separated from their parents for a long period. Day surgery also has many advantages for elderly patients who can become disorientated when they are outside of their home environment for any length of time.
- The risk of infection is significantly reduced by the short length of stay in a day hospital environment.
- A patient is less likely to develop complications such as deep vein thrombosis, due to the relatively short time they are immobile during their hospitalisation.
- Admission times are scheduled close to proposed treatment/surgery times to reduce waiting period for patients.

Advantages for Clinicians

- There is less risk of adverse patient events occurring in day hospital patients when compared with inpatients. Day hospital patients are carefully assessed, both by the treating medical practitioner and the clinical day hospital staff, prior to admission, to assess their suitability for same day hospital care. If the assessment finds that there is any potential risk to the patient, arrangements are made for the provision of care in an alternative safe environment.
- The Clinicians' requirements are factored into day hospital schedules, patient admissions, treatment/surgery times and the discharge process.
- Improvements in technology, anaesthesia and pain management continually result in an increase in the number and range of procedures that can be performed in a day hospital.
- Day hospitals attract specialised and experienced staff who provide expertise and efficiency in managing patient care and the specific requirements of the clinician.
- Unlike the inpatient facilities, which due to their size can be quite bureaucratic in nature, the day hospital environment tends to support a more relaxed, flexible and welcoming environment that delivers safe quality care in a short period of time

Advantages for Government

Since 1901 Australia has existed as an independent nation with a Federal system of Government. Until 1946 the Commonwealth's health powers were in quarantine matters only, and after this period the Constitution was '*... amended to enable the Commonwealth to provide health benefits and services, without altering the powers of the States in this regard. Consequently the two levels of Government have overlapping responsibilities in this field.*'

The Commonwealth Government is responsible for funding the Medicare System and supports partial state funding through the Council of Australian Governments. Private Health Insurance policies are legislated by the Federal Government and regulated through the Commonwealth Department of Health. The State Governments are responsible for the public hospitals in their state or Territory.

According to the June 2019 quarterly report, Private Health Insurance Administration Council (PHIAC) statistics, private health insurance catered for 156,188 episodes of care for insured patients treated in private free standing day hospitals. This was a 5.9% increase for the quarter and 1.6% decrease for the year. It was also reported that 53.5% Australians had some form of private health insurance (APRA statistics) (22).

- The consistent growth of free standing day hospitals over the last decade has resulted in the day hospital sector becoming a significant player in the Australian healthcare sector. Currently, one out of every four privately insured patients receiving same day medical treatment chooses to do so in the day hospital setting.
- In 2015-16 the total number same day hospitalisations accounted for 71% of private hospitalisations compared with 60% in the previous 10 years (this includes same day procedures performed in overnight hospitals (23). The number of operating theatres in day hospitals increased by 156% to 413 and the number of procedure rooms by 489% to 1003 rooms for the period 2006-07 and 2016-17 (17). Same day hospitalisations account for an increasing proportion of private hospital admissions.
- In 2016-17 total income for private hospitals was estimated to be \$15.478 billion, with day hospitals accounting for \$1.213 billion and overnight hospitals accounting for \$14.265 billion and between 2006-7 and 2016-17, day hospitals' income increased by 265% compared with overnight hospitals increase of 201% (ABS 2016-17) (23).
- In FY17 the 357 private day hospitals provided 1.2 million services compared with 2.3 million same day procedures performed in the 300 private overnight hospitals
- The rate of growth in same day treatment in private day hospitals and private overnight hospitals has been relatively consistent from FY 07 to FY 17 at around 6-7% per annum

Advantages for Health Funds

The day hospital sector offers a value proposition to the health insurers. In FY17 the health insurers paid private overnight hospitals 32% more than they paid day hospitals for the top 9 DRGs.

The quality of service, effective and efficient patient care delivered in day hospitals provides the patient with quality, safe and financially attractive choice for medical treatment. Health funds can be confident that their members receive a high standard of care in the day hospitals. The staffing structure in day hospitals differs from that in larger overnight hospitals. Day hospitals operate with a small team of experienced staff who routinely undertake several different activities during the course of a patient's medical treatment. This unique setup of versatile staff practice contributes to the operational efficiency that is a key feature of day hospitals.

Advantages for Staff

Day hospitals offer staff opportunities, that are not available in other healthcare environments, which allows them to enhance their professional development.

- Expanded role opportunities - nurses are involved in all stages of the patient's treatment.
- New roles in patient assessment and education.
- Improved management of family commitments as there are defined work hours and reduced shift and weekend commitments.

FUTURE OF DAY SURGERY

There are many variables that may affect the future expansion of day surgery nationally and globally.

Medical Technology:

Advances in medical technology and surgical techniques will continue to grow in the sector. Increasingly, minimally invasive surgical techniques and procedures will be performed in the day surgery setting. Laparoscopic procedures are one example. Gynaecological and general surgical procedures previously undertaken in overnight facilities are now widely performed as day cases. Minimally invasive techniques result in less tissue damage and post-operative pain and require less time in hospital.

As the rapid advances in medical technology continues, there will be some financial issues for the stand-alone day hospital to consider as the rapid advances in medical technology continue. The financial outlay required to purchase sophisticated medical equipment and manage the ongoing repairs, maintenance, and technological upgrades may be cost-prohibitive to the small stand-alone day hospital. Day hospitals must carefully select the range of specialities offered and negotiate appropriate contracts with health funds prior to commencing with new technology.

If a health fund contract cannot be negotiated, then the day hospital can apply for Second Tier Default Benefits, which was introduced by the Federal Government as a safety net for those hospitals who were not able to negotiate a suitable contract with individual health funds.

Anaesthesia:

An increasing number of surgical procedures will be undertaken in the day hospitals as methodology and techniques for anaesthesia continues to improve and advance. Techniques in pain management also enable an increase in the types of procedures that can be undertaken. Some day hospitals with twenty three hour licences are performing more advanced procedures, such as shoulder reconstructions using minimally invasive techniques, where extended recovery is required.

Patient-Centred Care:

A team approach to patient care is essential in day surgery as more complex procedures are performed. "Modern medicine is so complex and sophisticated it is not achievable by the individual practitioner" (4).

My Health Record is the Australian Government's digital health record system and provides online summary of an individual's health information. It allows doctors, hospitals and certain other healthcare providers involved in the individual's care to view their health information. 90.1% of Australians now have a My Health Record, unless they have chosen not to have one.

Healthcare providers such as GPs, specialists and pharmacists can add clinical documents about an individual's health to their My Health Record, including:

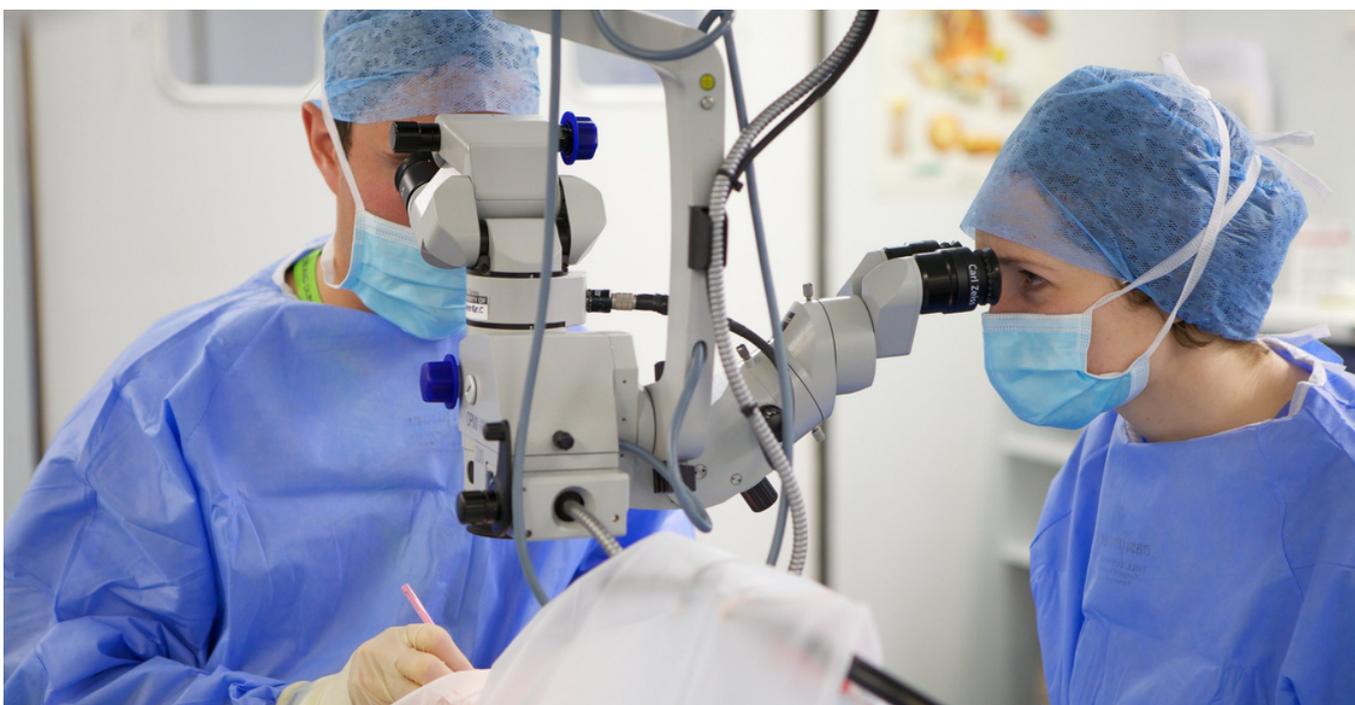
- shared health summaries
- hospital discharge summaries
- reports from test and scans, like blood tests
- prescribed medications
- doctor referral letters

In addition, up to two years of past Medicare data will be added including information about MBS, immunisations and organ donation.

Free standing day hospitals

The stand-alone or free-standing day hospital has a targeted case mix, and so the majority of day hospitals are purpose-built or redesigned to accommodate the given specialty, for example, Endoscopy suites for Digestive Health, and Angiography suites for cardiac procedures.

Some day hospitals have a 23-hour license which has enabled them to undertake more complex procedures, requiring ongoing pain management post-operatively. These facilities have integrated hotel requirements to meet the needs of overnight patients.



TERMINOLOGY

- **Ambulatory** - Day, same day, day only, working day, 24 hour period, day surgery, day procedure
- **Ambulatory surgery centre/facility** - Day hospital, day clinic, day surgery centre, day procedure unit
- **Day surgery/procedure** - An operation/procedure excluding office surgery/ procedure, where the patient is discharged in under 23 hours
- **Extended recovery** - 23 hour, overnight stay, single night, less than 24 hours
- **Extended recovery centre/unit** - Purpose built/modified patient accommodation, specifically designed for the extended recovery of ambulatory surgery/procedure patient
- **Inpatient** - A person admitted into a hospital, public or private, for a stay of 24 hours or more
- **Office procedure/surgery** - An operation/procedure carried out in a medical practitioner's professional premises
- **Patient** - A person treated in a day hospital
- **Stand-alone/day hospital** - A purpose built/modified centre (facility) designed for the optimum management of patients
- **Surgery/office** - A medical practitioner's professional premises

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