

# Hospital classification review algorithms

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# 1. Introduction

In Victoria, over 20 years ago public hospitals were first classified into tiered levels, based on patient and care complexity, to guide minimum nursing and midwifery staffing levels.

This was introduced as a component of the Nurses and Midwives (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2000-2004.

Subsequently, the hospital classifications were enshrined in legislation, the *Safe Patient Care (Nurse to Patient and Midwife to Patient Ratios) Act 2015* (the Act), the objective of which was to:

*“provide for safe patient care in hospitals by establishing requirements for a minimum number of nurses or midwives per number of patients in specified wards or beds, recognising that nursing workloads impact on the quality of patient care”.*

The minimum number of nurses or midwives per number of patients was defined as “nurse to patient” and “midwife to patient” ratios. Importantly, the ratios were intended as *“a minimum requirement only and ... not intended to prevent the operator of a hospital from staffing a ward with additional nurses or midwives beyond the number required by the ratio”* (s9 (1) (c), Act).

The Act prescribes the minimum ratios for different levels of hospital and for different ward settings within those hospital levels. For example, Table 1 summarises the required minimum ratios for general medical and surgical wards across the four levels of hospital (s15 – s18, Act).

**Table 1.** Minimum ratios for general medical and surgical wards, by level of hospital and staff shift

Hospital level	Morning shift	Afternoon shift	Night shift
1	1 nurse: 4 patients, and 1 nurse-in-charge	1 nurse: 4 patients, and 1 nurse-in-charge	1 nurse: 8 patients, and 1 nurse-in-charge
2	1 nurse: 4 patients, and 1 nurse-in-charge	1 nurse: 5 patients, and 1 nurse-in-charge	1 nurse: 8 patients, and 1 nurse-in-charge
3	1 nurse: 5 patients, and 1 nurse-in-charge	1 nurse: 6 patients, and 1 nurse-in-charge	1 nurse: 10 patients, and 1 nurse-in-charge
4	1 nurse: 6 patients, and 1 nurse-in-charge	1 nurse: 7 patients, and 1 nurse-in-charge	1 nurse: 10 patients

As is evident from Table 1, fundamental to the application of the ratios is the level of the hospital. These are prescribed in the Act’s schedules 1 (level 1, 2 and 3 hospitals), 2 (hospitals not restricted in the use of enrolled nurses), and 3 (categories of hospital for emergency department [ED] ratios). Broadly, the larger and more comprehensive a hospital the higher its classification level (Level 1 highest, Level 4 lowest).

Specifically, Schedule 1 of the Act classifies 44 hospitals into three levels. Hospitals not specifically listed in Schedule 1 are considered Level 4 hospitals as outlined in the Act’s ‘Definitions’ (Section 3). The applicable ratios for each level are specified in sections 15 to 18 of the Act. The ratios are for nurse staffing in medical, surgical and acute wards only.

Hospitals classified as Level 1 have the highest ratio (i.e., greater numbers of nurses to patients) and are typically larger metropolitan hospitals, while Level 4 hospitals are commonly smaller rural hospitals. This indicates that patients receiving care on a ward in a Level 1 hospital are likely to have greater complexity and are more resource intensive.

For example, and as summarised in Table 1, the ratio for a morning shift in a Level 1 hospital is 1 nurse to 4 patients, while the ratio for a morning shift in a Level 4 hospital is 1 nurse to 6 patients.

Schedule 3 of the Act classifies 36 hospitals with EDs into three parts. The applicable ratios for each part are specified in Section 20 of the Act. Note that four hospitals with EDs are absent from Schedule 3.

Hospitals listed in Schedule 3, Part 1 of the Act are typically larger metropolitan, regional and sub-regional hospitals with busy EDs, whereas those in parts 2 and 3 are smaller hospitals with less busy EDs. Accordingly, hospitals in Part 1 are required to have more nursing staff resources with additional triage nurses allocated across shifts than those listed in parts 2 and 3.

A number of small hospitals with EDs or urgent care centres (UCCs) are not listed in Schedule 3. Their ratio requirements are prescribed in Section 20 of the Act, and are dependent on the number of annual patient presentations. For example, different ratios apply to hospitals with greater than 7,000 annual presentations, 5,000 to 7,000 annual presentations and fewer than 5,000 annual presentations, with higher annual presentations requiring more nursing resources.

## Purpose

The Victorian Government has committed to conducting a review of the current hospital classifications set out in the Act.

This paper presents the proposed algorithms for classification of hospitals, contingent on legislative amendment, into four levels (Schedule 1) and three parts (Schedule 3) of the Act to promote continued high-quality and safe patient care.

The algorithms have been applied to available, relevant datasets that are common across Victorian public health services and are actioned in a staged approach based upon threshold analysis.

Three algorithms are presented here.

- Schedule 1 (general medical/surgical wards): non-specialty hospitals
- Schedule 1 (general medical/surgical wards): specialty hospitals
- Schedule 3 (emergency departments): hospitals with emergency departments.

Implementation of the outcomes of the review will be dependent on further government decision-making and legislative amendment.

## Data sources

Data publicly available each quarter at <https://vahi.vic.gov.au/>:

### Victorian Admitted Episode Dataset

- Hospital bed days – all care types
- Intensive care unit – average hours of care
- Neonatal intensive care unit/special care nursery – babies admitted

### Victorian Emergency Minimum Dataset

- Emergency department – presentations

### Maternity capability level

- Current version

## Abbreviations used in this paper

- ED: emergency department
- HBD: hospital bed days
- ICU: intensive care unit
- MCL: maternity capability level
- MMM: Modified Monash Model (measure of remoteness) (<https://www.health.gov.au/topics/rural-health-workforce/classifications/mmm>)
- NICU/SCN: neonatal intensive care unit/special care nursery
- UCC: urgent care centre

## 2. Schedule 1: non-specialty hospitals

This section sets out the algorithm for classifying non-specialty hospitals in Schedule 1. Specialty hospitals are subject to a different algorithm.

MMM weightings apply to HBD, ED presentations, ICU average hours of care<sup>1</sup> and NICU/SCN babies admitted as follows:

- MMM1 hospitals: weighting of 1.0 (no adjustment)
- MMM2 hospitals: weighting of 1.2
- MMM3 hospitals: weighting of 1.3
- MMM4 hospitals: weighting of 1.4
- MMM5 hospitals: weighting of 1.5
- MMM6 hospitals: weighting of 1.6

### Algorithm

#### Level 1

IF your HBD are greater than 100,000

THEN you are a Level 1 hospital

#### OR

IF your HBD are greater than 50,000

AND your ED presentations are greater than 70,000

AND your ICU average hours of care are greater than 140 OR your NICU/SCN admissions are greater than 500 OR your MCL is 5 or 6

THEN you are a Level 1 hospital.

#### Level 2

IF your HBD are greater than 25,000

AND your ED presentations are greater than 20,000 OR your ICU average hours of care are greater than 100 OR your NICU/SCN admissions are greater than 350 OR your MCL is 4, 5 or 6

THEN you are a Level 2 hospital.

#### Level 3

IF your HBD are greater than 15,000

AND you have an ED or a UCC

THEN you are a Level 3 hospital.

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<sup>1</sup> 'ICU average hours of care' are calculated by summing the last four quarters of data and dividing by four, then adjusting the total according to the relevant MMM weighting.

## Level 4

IF no algorithm applies to you

THEN you are a Level 4 hospital.

## ‘Higher level’ principle

IF you are eligible for more than one level

THEN the higher level applies.

## Results

- All unlisted hospitals are in Level 4 per the Act.
- Monash Medical Centre – Clayton encompasses Monash Children’s Hospital.
- Sandringham Hospital encompasses services offered by both Alfred Health and Monash Health.

Level 1	Current level	Revised level	Level 2	Current level	Revised level
Alfred	1	1	Angliss	3	2
Austin	1	1	Bairnsdale	3	2
Ballarat	2	1	Echuca	3	2
Bendigo	2	1	Mildura	2	2
Box Hill	1	1	Northeast Health Wangaratta	2	2
Casey	1	1	Rosebud	3	2
Dandenong	1	1	Sale	3	2
Footscray	1	1	Sandringham	3	2
Frankston	1	1	Warrnambool	2	2
Goulburn Valley	2	1	West Gippsland	3	2
Latrobe Regional	2	1	Wimmera	3	2
Maroondah	2	1	Wodonga	3	2
Monash Clayton	1	1	Wonthaggi	4	2
Northern	1	1	<b>Level 3</b>		
Royal Melbourne	1	1	Ararat	4	3
St Vincent's	1	1	Castlemaine	3	3
Sunshine	1	1	Colac	4	3
University Hospital Geelong	1	1	Hamilton	3	3
Werribee Mercy	2	1	Maryborough	4	3
			Portland	3	3
			Swan Hill	3	3
			Williamstown	3	3
			<b>Level 4<sup>2</sup></b>		
			Heidelberg Repat	1	4
			Moorabbin	3	4

<sup>2</sup> The Victorian Government has committed that no hospital will move to a lower classification as a result of this inaugural review.

### 3. Schedule 1: specialty hospitals

This algorithm only applies to specialty hospitals:

- Mercy Hospital for Women – Heidelberg
- Peter MacCallum Cancer Centre
- The Royal Children's Hospital Melbourne
- The Royal Victorian Eye and Ear Hospital
- The Royal Women's Hospital – Parkville Campus
- Victorian Heart Hospital

Weightings do not apply.

#### Algorithm

##### Level 1

IF your HBD are 50,000 and higher

THEN you are a Level 1 hospital.

##### Level 2

IF your HBD are less than 50,000

AND you have an ED OR you have an ICU OR you have a NICU/SCN OR your MCL is greater than 0

THEN you are a Level 2 hospital.

#### Results

Specialty hospital	Current level	Revised level
Mercy Hospital for Women	2	1
Peter MacCallum Cancer Centre	1	1
Royal Children's Hospital	1	1
Royal Victorian Eye & Ear Hospital	3	2
Royal Women's Hospital	2	1
Victorian Heart Hospital	Not listed	2

## 4. Schedule 3: hospitals with emergency departments

MMM weightings apply to ED presentations as follows:

- MMM1 hospitals: weighting of 1.0 (no adjustment)
- MMM2 hospitals: weighting of 1.2
- MMM3 hospitals: weighting of 1.3
- MMM4 hospitals: weighting of 1.4
- MMM5 hospitals: weighting of 1.5
- MMM6 hospitals: weighting of 1.6

### Algorithm

IF your ED presentations are 35,000 and higher, THEN you are a Part 1 hospital.

IF your ED presentations are between 20,000 and 34,999, THEN you are a Part 2 hospital.

IF your ED presentations are lower than 20,000, THEN you are a Part 3 hospital.

### Results

Part 1	Current part	Revised part	Part 2	Current part	Revised part
Alfred	1	1	Bairnsdale	2	2
Angliss	1	1	Rosebud	2	2
Austin	1	1	Royal Women's	3	2
Ballarat	1	1	Sale	3	2
Bendigo	1	1	Sandringham	2	2
Box Hill	1	1	Swan Hill	3	2
Casey	1	1	Warrnambool	2	2
Dandenong	1	1	West Gippsland	3	2
Echuca	3	1	Wimmera	2	2
Footscray	1	1	Wodonga	2	2
Frankston	1	1	Wonthaggi	NL	2
Goulburn Valley	1	1	<b>Part 3<sup>3</sup></b>		
Latrobe Regional	1	1	Hamilton	NL	3
Maroondah	1	1	Mercy Women	NL	3
Mildura	1	1	Victorian Heart	NL	3
Monash Clayton	1	1	Williamstown	2	3
Northeast Health Wangaratta	3	1			
Northern	1	1			
Royal Melbourne	1	1			
Royal Children's	1	1			
RVEEH	3	1			
St Vincent's	1	1			
Sunshine	1	1			
University Hospital Geelong	1	1			
Werribee Mercy	1	1			

NL = not currently listed in the Act

<sup>3</sup> The Victorian Government has committed that no hospital will move to a lower classification as a result of this inaugural review.