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Pressure on health system to get worse as federal government fails to extend COVID-19 funding agreement

The Australian Medical Association says the federal government's \$2.8b COVID-19 package announced today has failed to extend a critical lifeline to public hospitals with the 50-50 COVID-19 funding agreement between the states and the Commonwealth ending on 31 December.

AMA President Professor Steve Robson said while the current agreement was temporary, COVID-19 was still having a significant impact on the health system and the health of Australians.

"While we wait for broader funding reform through a new 50-50 funding agreement, the COVID-19 funding has been so important to help our struggling public hospitals meet community demand," Professor Robson said.

"We are about to hit one of the busiest times of the year for our public hospitals and there will likely be a surge in COVID-19 cases out of the 4th wave — this is the worst time to pull the financial rug out from under the states.

"COVID-19 is not over, no matter how much the federal government wishes it was. It is a deadly and debilitating disease which is playing havoc with lives and the health system. Without this extra funding the health system will fall even further down the rabbit hole.

"This is a bewildering decision by the government and goes against the advice of many experts including the AMA. We call on the health minister to reconsider.

"In recent days we have seen stark evidence of the disastrous state of our public hospitals with the performance of emergency departments hitting record lows, and a reduction in the volume of elective surgeries performed because our hospitals are in logjam. We've also seen children waiting up to 12 hours for emergency care and patients dying while ramped at hospitals.

"It is further proof the existing hospital funding arrangements are flawed and have been neglected for many years. The system desperately needs the temporary funding to continue, as well as broader long-term funding reform as outlined in the AMA's <u>Clear the Hospital Logjam</u> campaign.

"The federal government must not walk away from this crisis.

"While the AMA acknowledges other measures announced in this package, the health minister should immediately reconsider his decision not to extend the 50-50 COVID-19 funding. The new year must bring with it a permanent and fairer funding agreement," Professor Robson said.

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