

Saturday, 20 May 2023.

## **Public hospital funding agreement needs complete makeover**

The Australian Medical Association has found the key objectives of Australia’s public hospital funding arrangement are not being met and says the agreement needs a comprehensive makeover.

In a submission to the government’s mid-term review of the National Health Reform Agreement Addendum 2020-25, the AMA said the agreement is not fit for purpose and has resulted in ambulance ramping, burgeoning elective surgery waiting lists, bed block and over-stretched emergency departments.

AMA President Professor Steve Robson said the agreement, which still has more than two years to run, is failing our public hospitals, which are in logjam.

“The AMA has carefully reviewed the objectives of the funding agreement and found the majority pertaining to patient outcomes, like equitable access to care or reduced emergency department demand or improved mental health outcomes, are not being met. If the agreement is failing our hospitals and our patients, it needs a radical overhaul, yet we are stuck with this flawed formula until 2025.

“With waiting lists continuing to grow and public hospital performance failing to meet key performance targets, there is a compelling case for additional funding to be made available to give our crumbling public hospitals the support they need to deliver the care patients need while we wait until a new, improved agreement comes into force.

“The next agreement needs a complete makeover. We want to see improved performance rewarded, funding to expand hospital capacity to meet community demand and measures introduced to tackle avoidable admissions and unnecessary re-admissions.

“You only have to look at our last sixteen [Public Hospital Report Cards](#) to know the system is failing. All the graphs go steadily downwards with hospital performance now at its lowest in many years.

“That’s why we’ve been campaigning since before the last election on this issue. [Our ‘Clear the hospital logjam’ campaign](#) calls for 50-50 shared Commonwealth-state funding for our hospitals and scrapping the imposed artificial cap that prevents growth in the system.

“We want to see funding for increased capacity of our public hospitals and the reintroduction of funding for performance actually rewarding those hospitals which reach their performance targets.

“We implore all health ministers and all levels of government to work together to get this right for the future and to help our hospitals out in the meantime with an immediate injection of new funds.”

Read [the AMA’s full submission to the mid-term review](#).

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