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## **Public hospital crisis can only be addressed with funding agreement rethink**

Ballooning elective surgery wait times and long waits in emergency departments are here to stay for Australia's public hospital patients, without significant reforms to the way hospitals are funded.

Australian Medical Association President Professor Steve Robson said AMA analysis released as part of the AMA [Clear the Hospital Logjam](#) campaign showed hospital performance had plummeted year-on-year since 2014 when the then government made changes to the National Hospital Funding Agreement.

The AMA's analysis: [What happens when we fund hospitals to perform](#) shows a marked drop in hospital performance when performance-related funding was removed in 2014 and the National Health Performance Authority was abolished.

"The current review of the National Hospital Funding Agreement represents an opportunity to rethink how our hospitals are funded, because without change there's no light at the end of tunnel for patients who are waiting too long for surgery and too long in our emergency departments," Professor Robson said.

"The impact of previous government decisions relating to performance, together with other pressures on our health system — including an ageing population — are there for all to see in repeated AMA public hospital report cards showing a decline year after year in performance," Professor Robson said.

"Our analysis shows a marked improvement when performance-based funding was introduced in 2011 and a huge decline in performance after it was removed in 2014.

"The numbers paint a grim picture for the future of our public hospitals and with them our patients. Let me be clear — this is a problem for all health ministers. Our current way of funding our hospitals isn't lifting them out of logjam, and the current review of the agreement is a chance to act."

Professor Robson said the AMA had a four-point plan to stem the public hospital crisis, which included reintroducing performance improvement funding; funding for extra beds and staff in hospitals and funding for out-of-hospital care with GPs to keep people out of hospitals.

"We are also calling for the Commonwealth's share of funding to be increased from 45 per cent to 50 per cent and getting rid of the arbitrary 6.5 per cent activity cap."

Read [What happens when we fund hospitals to perform](#)  
Visit the AMA [Clear the Hospital Logjam](#) campaign website

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