

MEDIA RELEASE

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Hospital funding changes and more for Medicare welcome

Changes to hospital funding and further investments in primary care announced today at National Cabinet are a welcome start to addressing the issues that are crippling Australia's health system.

Australian Medical Association President Professor Steve Robson said the AMA had been campaigning through the [Clear the Hospital Logjam](#) campaign since before the last election for an increase to the Commonwealth's share of funding for hospitals and for the 6.5 per cent cap on funding growth to be scrapped.

"The announcement by the Prime Minister today of an increase in the Commonwealth's share of funding to 45 per cent over a maximum of ten years is a welcome start to tackling the problems that are keeping our public hospitals in logjam," Professor Robson said.

"Only today we've seen the release of [Australian Institute of Health and Welfare](#) figures showing that, against all measures, our public hospitals are struggling and planned surgery waiting lists have soared past 850,000. People are quite literally dying before they get the surgery they need.

"This funding will help Australia's hospitals expand their capacity to address ballooning surgery lists and falling performance in other areas like emergency department wait times, and we look forward to seeing the states and territories reinvesting this extra money to tackle these problems," Professor Robson said.

"We also campaigned for the Commonwealth to scrap the arbitrary 6.5 per cent cap on funding growth and we've seen a commitment to change that and apply a more generous approach. We are yet to see the detail, but we are hopeful this is the start of an overhaul to a funding agreement that also lacks any kind of performance measures."

Professor Robson said the additional funding for Strengthening Medicare measures was also welcome, including support that will help older Australians avoid hospital admission and ensure early discharge from hospital.

"The AMA released [a discussion paper](#) today outlining just how much preventable hospital admissions for older Australians is costing the system — more than \$31 billion. And we highlighted the impact of patients being stuck in hospital with nowhere to go in our report [Hospital exit block: a symptom of a sick system](#). But there are others including people with a mental health-related illnesses and people with a disability who are also at risk of preventable conditions and delayed discharged.

"The federal government's commitment to addressing workforce issues is also welcome, including through the implementation of the Kruk Review interim recommendations, in particular the streamlining of the immigration and application processes for international medical graduates (IMGs).

"However, we remain concerned about some of the recommendations on the assessment of specialist IMGs. Efforts to make it easier for overseas trained health professionals must not include a lowering of standards. We expect the final report to be released imminently and will provide further comment at that time."

Contact: AMA Media: +61 427 209 753 media@ama.com.au



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