

TRANSCRIPT

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Transcript: AMA Queensland President Dr Nick Yim, ABC Radio Brisbane, *Breakfast with Craig and Loretta*, Monday 19 May 2025

Subject: Toowong Private Hospital in voluntary administration

LORETTA RYAN: Across the country, a growing number of private hospitals are facing an uphill battle to stay in business. A major contributing factor is the difference between the cost of treatment and the amount of federal funding allocated to ease the financial load.

CRAIG ZONCA: Now the issue is infiltrating Brisbane with one of the city's leading providers of mental health care placed into voluntary administration. This is the Toowong Private Hospital, a cornerstone of psychiatric care, particularly among both serving defence personnel and veterans.

LORETTA RYAN: But now its future remains unclear after its owner, the Kratzmann family, was unable to secure a buyer in a recent sale attempt. I want to bring in on this the President of the Australian Medical Association Queensland, Dr Nick Yim. Morning to you, Nick.

DR NICK YIM: Good morning, Craig. Good morning, Loretta.

CRAIG ZONCA: Just on Toowong Private Hospital, how concerning is this development that it's been placed into voluntary administration?

DR NICK YIM: When these comments are seen in the media it places a lot of uncertainty for patients, families and also the staff that are working there. Public hospitals and private hospitals, they've played such an important role in providing care, and when we see this occur, it is concerning.

LORETTA RYAN: How important has this hospital been with its treatment? Just take us through what it provides.

DR NICK YIM: We know that the Toowong Private Hospital provides a huge number of services in mental health care to veterans. There is rising mental health concerns among veterans and the general public, which is why it's so important to ensure that there is a resolution going forward.

LORETTA RYAN: What will going into voluntary administration mean for those patients?

DR NICK YIM: At this point in time, it sounds like it's still business as usual. Obviously, more details need to come forward, but it's key that patients continue seeking healthcare with their regular providers, whether it be their psychiatrist or psychologist. If there is a little bit of uncertainty, always continue to maintain contact with their GP.

LORETTA RYAN: So, if a buyer isn't found though, where would those patients go?

DR NICK YIM: This is a great challenge. We've always spoken about the growing population in Queensland and that we don't have enough hospital beds across the state in both the public and private sector. This is the reason why a resolution is so important, because it will potentially put pressure on other private hospitals or public hospitals.

CRAIG ZONCA: AMA Queensland President Dr Nick Yim is with you on 612 ABC Brisbane, 7.20am. Is this part of a wider issue facing the private hospital sector right now, Nick?

DR NICK YIM: Absolutely. What we're hearing is – not just in Queensland, but across Australia – the challenges of viability in the private hospital sector. We know that in Australia, we need both the public and private sector to be functioning because we have a big population. It is growing, which is why we're asking for the Independent Pricing Authority to meet with all stakeholders to address these concerns.

CRAIG ZONCA: So, you say meet with that Independent Pricing Authority, but what are the pressure points? Is this about further money coming from government to prop up the private hospital sector? What are some of the solutions being talked about here?

DR NICK YIM: To address the four key stakeholders, we've got the insurer, government, the hospitals, and also the clinicians and patients. The biggest thing at the moment is the rising cost in healthcare. We know consumables are going up, staffing's going up, and at the same time it's complicated by our workforce shortages. There are a few moving parts in this.

LORETTA RYAN: Looking at this particular case of voluntary administration at Toowong Private Hospital, happening after a recent sale attempt fell through, you've got to ask yourself, 'well who would want to buy a private hospital?' I mean, Nick, that would be the problem, wouldn't it?

DR NICK YIM: Yes, 100 per cent, it's one of the great challenges. One big thing, as we know, and this is something we've been advocating for, is that there is a bit of a bias against complex care. So, things like mental health, chronic disease, things that take time, things that take longer consultations, more of a team, because it does have additional cost to a payer. For example, a private business.

CRAIG ZONCA: Nick, if things don't pan out for Toowong Private Hospital and for other the hospitals that are facing a pretty uncertain future at the moment regarding finances, it places more pressure on the public system. Particularly for Toowong Private, we're talking a lot of mental health-related services. The public system is already overwhelmed when it comes to delivering mental health-associated support.

DR NICK YIM: You're 100 per cent correct. This is one of the great challenges that we face at the moment. Currently, across our state of Queensland, we are facing shortages and pressure points. This is the reason why we need our private sector to be viable, because if areas go under, it does place additional pressures in our public hospital beds, and we already don't have enough.

CRAIG ZONCA: Okay. Dr Nick Yim, really appreciate your time this morning. Hey, just before you go, fire pits, yes or no in your mind?

DR NICK YIM: I think yes in my mind. It actually is quite soothing from my perspective, but obviously there are elements of respiratory issues from a healthcare perspective as well. So, I'm going to sit on the fence.

LORETTA RYAN: Okay, Dr Nick Yim, then you're sitting on the fence. But hang on, you mentioned respiratory problems. So, there is a case here. Do you see or hear of many problems coming from fire pits?

DR NICK YIM: I think one of the problems is, we are moving into winter months. Fire pits do create smoke, so it's something that needs well-ventilated areas. Obviously, those close living environments such as apartment buildings, might affect people with asthma, lung disease. So, it's something that we need to be cautious about.

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CRAIG ZONCA: Ah, yes. With caution, with consideration for your neighbours. Dr Nick Yim, the President of the Australian Medical Association Queensland. Thanks for joining us this morning.

DR NICK YIM: No worries, always a pleasure.

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