

MEDIA RELEASE

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Patients will pay the price for hospital funding failure

The Australian Medical Association says the inability of health ministers to reach a new agreement on hospital funding today means Australian patients will continue to suffer, with logjammed public hospitals in crisis.

AMA President Dr Danielle McMullen said Australian patients would suffer the most from this latest breakdown in negotiations.

“The time for a new National Health Reform Agreement is long overdue,” Dr McMullen said.

“Health ministers have kicked the hospital funding can down the road yet again — failing to agree on a plan that is critical to the future of our health system.

“This failure condemns Australian patients to longer waits, greater suffering and worsening access to care due to inadequate funding and government inaction.

“Every day, ambulances spend hours ramped outside hospitals, elderly patients who are ready for discharge languish in beds, and people wait years in pain for planned surgery.”

Dr McMullen urged all governments to return to the negotiating table immediately.

“It is unacceptable for this funding stoush to drag on even one more day while Australians suffer,” she said.

“This is not about politics — it is about doing what is right for patients.”

On Monday, [the AMA released new costings](#), urging the federal government to invest \$34.7 billion in hospital funding over the next five years. Through the [Clear the Hospital Logjam campaign](#), the AMA has been sounding the alarm about the dire situation in Australian public hospitals for years.

The AMA is demanding the federal government honour its commitment to fund 45 per cent of hospital costs by 2030 — not 2035 — because the crisis cannot wait. It also wants the cap on funding growth removed.

The AMA is also calling for states to invest their freed-up funds resulting from any federal government injection into addressing the logjam.

“Health ministers must sign up to an agreement that has separate funding mechanisms to expand capacity, improve performance through specific initiatives and address avoidable admissions,” Dr McMullen said.

“It’s clear the current funding agreement doesn’t fund hospitals to work with GPs and manage avoidable admissions effectively. This is concerning, because we have an ageing population, increasing chronic disease, and an incredible amount of aged care and NDIS bed-block.

“When we operate and fund the health system in silos, patients get stuck in the cracks. Until a reform agreement includes funding and action to address aged care and NDIS bed-block and avoidable admissions, the cycles of crisis we first predicted back in 2021 will continue.”

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