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**THE HUMAN COST OF COMMONWEALTH CUTS TO PUBLIC HOSPITAL FUNDING – FEDERAL GOVERNMENT MUST ACT**

AMA President, Professor Brian Owler, said today that public hospitals, doctors, other health workers, and patients are under increasing pressure as a result of reduced capacity – and things will only get worse without a massive injection of long-term funding from the Federal Government in the May Budget.

Australia’s public hospitals face a catastrophic funding crisis from 2017 when the full impact of the Federal Government’s 2014 Budget decision to strip \$57 billion (from 2017-18 to 2024-25) of hospital funding from the States and Territories takes effect.

“Professor Owler said that the AMA has highlighted the crisis facing public hospitals and patients for almost two years, but the Federal Government has done nothing,” Professor Owler said.

“State and Territory Governments are facing an economic disaster unless the Federal Government urgently restores promised public hospital funding.

“Worse, patients face longer waits for vital health care, and some may miss out altogether.

“As hospital capacity shrinks, doctors won’t be able to get their patients into hospital or keep them there to receive the critical care they require.

“Currently, 32 per cent of people presenting to an Emergency Department (ED) who are classified as ‘Urgent’ do not get seen within the recommended time of 30 minutes.

“As funding cuts hit harder, hospitals will struggle to keep this below 50 per cent, despite their best endeavours.

“Doctors will always do the best they can by their patients, but these cuts mean the system as a whole simply won’t be able to meet the demand.”

Professor Owler said there is a very real human element to these cuts – patients will suffer.

“For a patient requiring urgent attention for abdominal pain, this could mean they are seen one to two hours after they present to the ED.

“Their symptoms could be consistent with indigestion, or could be a perforated bowel.

“The quicker a doctor can see them and make a diagnosis, then the quicker they can receive relief from their pain, and their condition can be prevented from deteriorating, potentially to a very serious situation.

“It is patients like this who will not be seen in a timely manner because of the Federal Government’s cuts.”

“We must also remember that Indigenous people in this country have a life expectancy that is 10 years less than that for non-Indigenous people.

“And Indigenous people will be some of the worst affected by these cuts.

“If the Government is truly committed to closing the gap, then it needs to properly fund public hospitals.”

Professor Owler said the AMA is calling on the Prime Minister to use the May Budget to offer the States and Territories a genuine long-term public hospital funding commitment, not a short-term fix.

“It has been reported that the Prime Minister has offered NSW Premier Mike Baird an emergency \$7 billion funding package to get the State’s hospitals through the immediate crisis, and that similar approaches would be made to the other States and Territories ahead of the Federal election,” Professor Owler said.

“It is clear there is a crisis in public hospital funding and an immediate commitment is required, but a quick fix will not solve the long-term capacity problems for public hospitals or ease the economic burden on State budgets.

“Through the National Health Reform Agreement, the States and Territories were beginning to make improvements to the transparency and performance of their hospitals, reducing waiting times for patients, and increasing their capacity.

“Because of the Commonwealth's unilateral decision to cut \$57 billion in funding, this progress will go backwards.

“The Government found money to fund Defence for the next decade. It must now do the same for Health, especially for public hospitals,” Professor Owler said.

**Attachments:**

Graphs showing the public hospital funding shortfalls as a result of the 2014 Federal Budget decisions.

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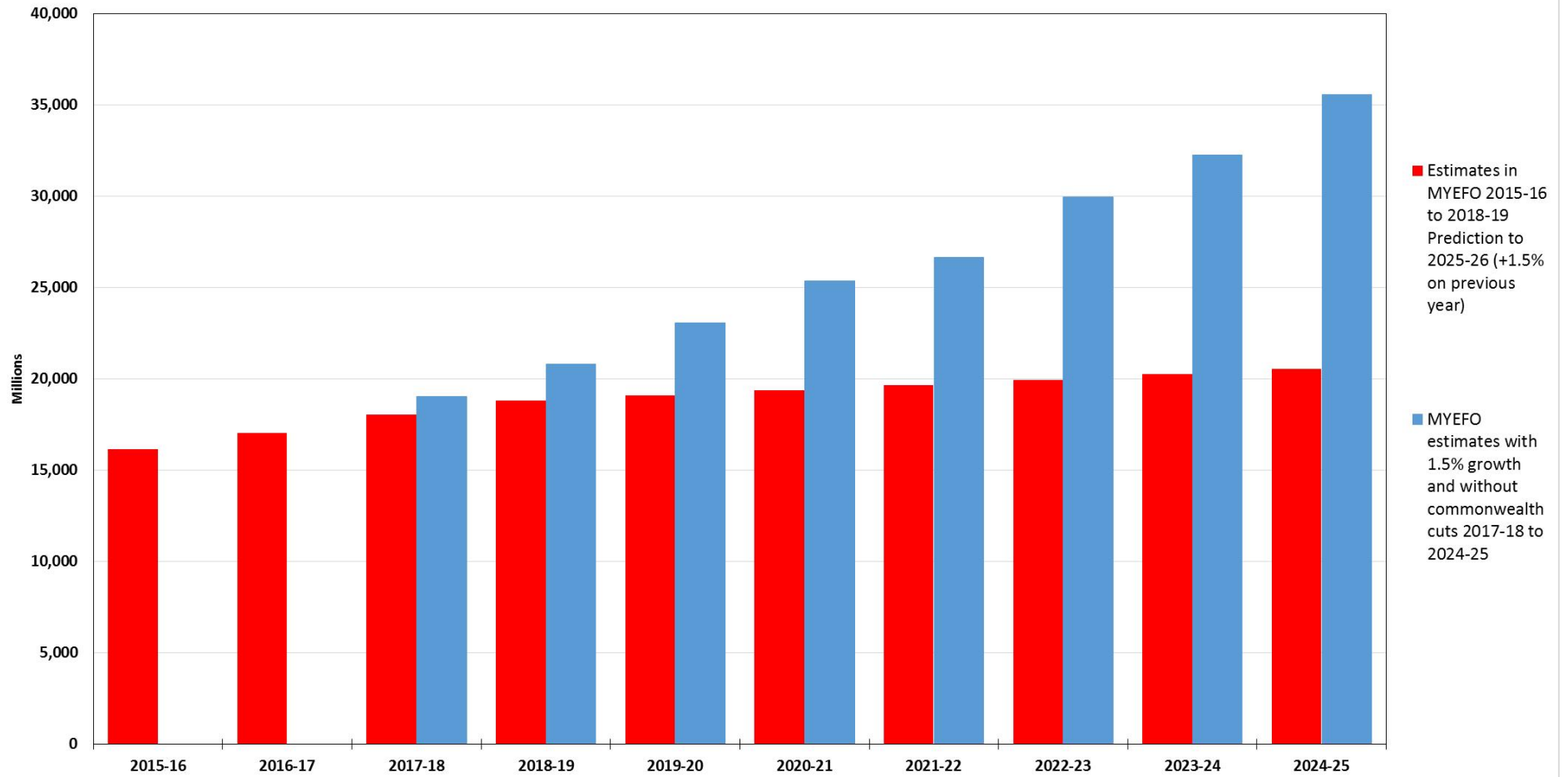
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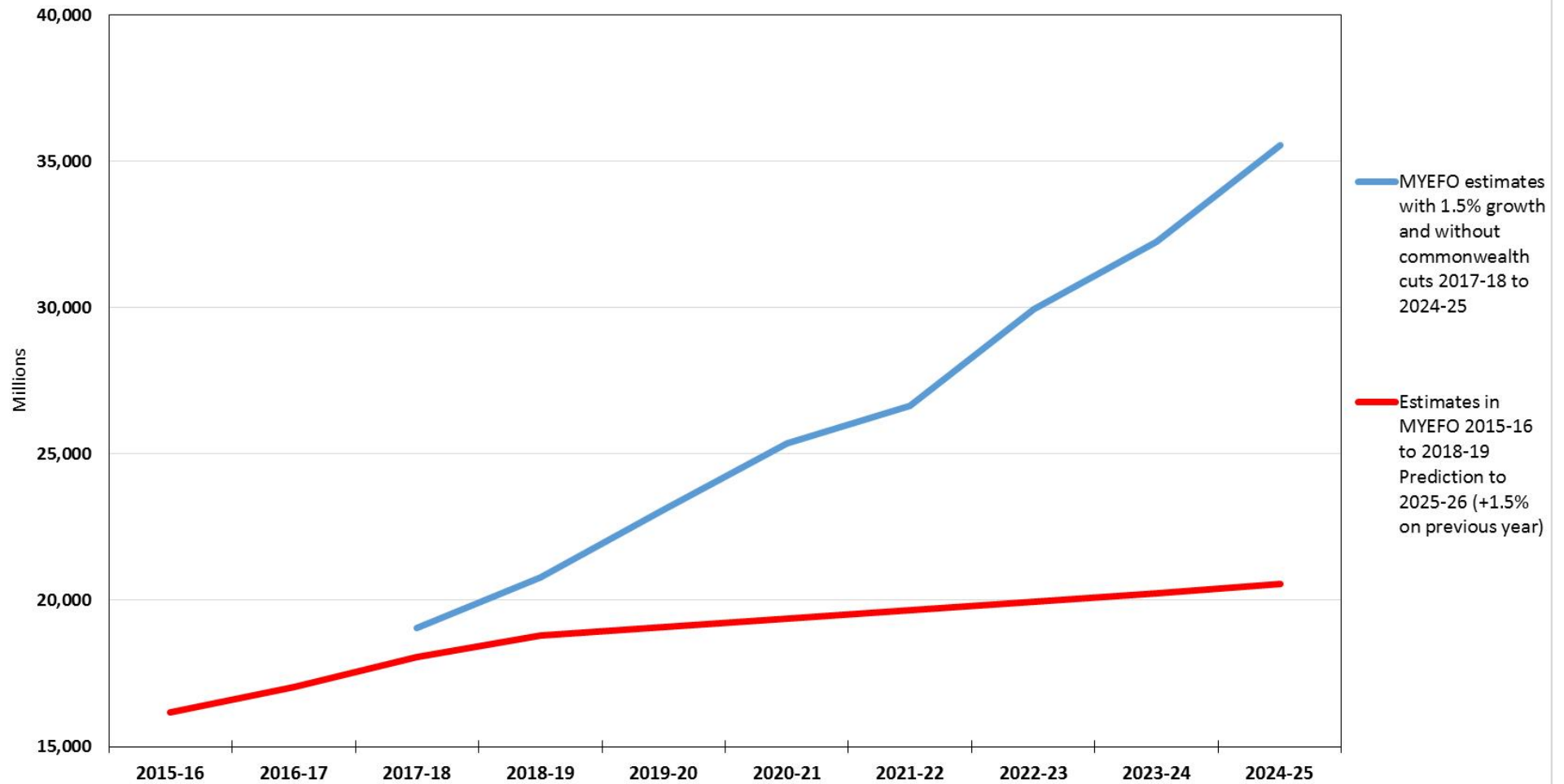
Commonwealth funding





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