

**\*\*\*EMBARGOED UNTIL 12:30PM (AEST)  
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## **Health Minister launches new report on the impact of private patients in public hospitals**

Federal Health Minister the Hon Greg Hunt MP today at Parliament House launched Catholic Health Australia's (CHA) newest report examining how the growth of privately insured patients in public hospitals is impacting Australia's health system.

The report, titled *Upsetting the Balance: How the Growth of Private Patients in Public Hospitals is Impacting Australia's Health System* ([available to download](#)) is the not-for-profit Catholic hospital sector's response to concerns about the significant increase in private patients in public hospitals. It finds that the trend is having a damaging effect on patients, stakeholders, as well as the balance of Australia's mixed model health system, and ultimately, the universality of Medicare.

The report finds growing inequity between public and private patients, with private patients receiving a number of inducements in some public hospitals that are not available to public patients. There is also evidence that, on average, public patients are waiting more than twice as long as private patients for elective surgeries in public hospitals.

"In 2011-12, annual growth nationally of private patients in public hospitals was recorded at 4.9 per cent and in 2014-15 growth rose to 18.4%. Annual growth of private patients in public hospitals in Queensland in 2014-15 was an astounding 63.9 per cent," said CHA's CEO, Suzanne Greenwood.

"It is particularly concerning for CHA to hear reports that the states are in some instances actively encouraging coercive behaviour to pressure patients to use their private health insurance for public care," said Greenwood.

"Notably, while the number of private patients in public hospitals continues to grow at an alarming rate, placing increased pressure on an already stretched public health system, our private hospitals are treating an increased number of public patients," said Greenwood.

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“CHA is concerned that recently released Australian Institute of Health and Welfare data confirms bed blocking by private patients has led to public patients being pushed further down public hospital waiting lists, resulting in longer waiting times for public patients.”

“With some public patients forced to wait up to twice as long as privately insured patients for elective surgeries in a state hospital, the current system is undermining the universality of Medicare and requires immediate reform,” advised Greenwood.

### SOME AVENUES FOR REFORM

- Restrict hospitals’ ability to offer inducements or unduly pressure consumers to declare their private health insurance status and encourage greater data sharing between the Commonwealth and states to monitor adverse behaviours;
- Clearly identify private health insurance products for consumers (restricted cover products) that are not fit for purpose in a private hospital without attracting significant consumer out-of-pocket costs;
- Enhance the provision of information to consumers to assist with pre-admission choice of doctor and improved understanding of charges that may be incurred, in both public and private hospitals;
- Include provisions in public hospital funding agreements between the Commonwealth and states to ensure neutrality of funding for public and private patients and to address the current funding incentives for public hospitals to maximise private patient activity, such as own source revenue targets.

“This report provides a number of recommendations for reform, and we would like the next National Health Reform Agreement to take these into account,” said Greenwood.

CHA wishes to thank the CHA Health Senior Executive Forum for their extensive contributions which enabled the development of the report, and all other stakeholders who gave their time and expertise during the research consultation process.

This included hospital associations, health insurers and health insurer associations, individual hospitals both public and private, government bodies, and academics.

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Printed copies of *Upsetting the Balance: How the Growth of Private Patients in Public Hospitals is Impacting Australia’s Health System* are available from Catholic Health Australia. Please contact [secretariat@cha.org.au](mailto:secretariat@cha.org.au) to order your copy. To access the report online, please refer to [www.cha.org.au](http://www.cha.org.au)