



OUR POSITION

Private hospitals: the key to clearing the elective surgery backlog

BACKGROUND

Catholic Health Australia (CHA) is Australia's largest non-government, not-for-profit group of health, community, and aged care providers. Our members operate over 80 hospitals in each Australian state and in the Australian Capital Territory, providing around 30 per cent of private hospital care and 5 per cent of public hospital care, in addition to extensive community and residential aged care. CHA Members also provide approximately 12 per cent of all aged care facilities across Australia, in addition to around 20 per cent of home care services.

CHA not-for-profit health, community and aged care providers are a dedicated voice for the disadvantaged which advocates for an equitable, compassionate, best practice and secure health system that is person-centred in its delivery of care. CHA champions reforms aligned with the healing ministry of Christ and the work of Catholic congregations around the country.

The aim of our position statements is to outline CHA's policy and advocacy priorities on key issues that are essential to the mission and values of its members.

A more in-depth analysis of our policy positions is available through our government submissions.



POSITION

When a patient needs surgery, they have the option of undergoing the procedure through either the public or private health system. In public hospitals, government funding covers the cost, but patients may face waiting periods of several months or even years. Alternatively, they can opt for surgery in the private system.

These procedures, often called elective surgeries, are not optional choices made by patients. Instead, they are essential interventions, frequently necessary to treat life-threatening conditions or alleviate severe pain and disability that hinder a normal life. For adults, common elective surgeries include joint replacements to restore mobility and cataract removal to enhance vision. In children, essential procedures such as grommet insertion and cleft lip repair play a crucial role in speech development.

In 2023–24, 81.5 per cent of Category 2 patients¹ were seen within the recommended timeframe — a sharp decline compared to 97.0 per cent in 2018–19, the last full year before the COVID-19 pandemic.² Similarly, the proportion of Category 3³ patients that were seen within the recommended timeframe has fallen from 95.7 per cent in 2018–19 to 80.7 per cent in 2023–24.⁴ These figures highlight a significant and concerning trend in timely patient care and reflect the ongoing challenges Australia's public hospitals continue to experience.

Additionally, in 2023–24, 903,500 patients were added to elective surgery waiting lists, marking a 5.6 per cent increase compared to 2022–23.⁵ This upward trend underscores the growing demand for elective procedures, which will result in additional pressure on an already strained public hospital system.

How many patients are currently waiting for surgery?

While there is no national reporting of the elective surgery waiting list, data reported by most states and territories⁶ suggests there are over 290,000 patients waiting for elective surgery.

Figure 1: Latest data on elective surgery waitlists by state and territory.⁷



Why are patients waiting so long for surgery?

Several factors are contributing to the prolonged delays for elective surgery:

- The COVID-19 pandemic profoundly disrupted elective surgery procedures due to the suspension of non-urgent surgeries to prioritise COVID-19 cases and prevent hospital overcrowding.
- Public hospitals are facing challenges related to funding, staffing, and infrastructure.
- Public hospitals are treating privately insured patients to generate revenue, which extends the wait times for public patients.
- While states and territories are obligated to report elective surgery performance, there are no consequences for underperformance.
- Australia's ageing population and rising prevalence of chronic conditions is increasing the demand for elective surgeries.

What about the wait for an outpatient appointment?

In addition to long elective surgery wait times, many Australian patients face significant delays for outpatient specialist appointments (where a patient is then put on the formal elective surgery waiting list). This list is often referred to as the "hidden waiting list," as the reporting of these waiting times across the states and territories is inconsistent. In some cases, patients will wait over two years just to see a specialist before being placed on the official surgery waitlist.⁸

What is the solution to address this problem?

Private hospitals in Australia have a significant amount of latent capacity. By collaborating with public hospitals, this latent capacity can be utilised to perform elective surgeries for public patients, thereby reducing wait times and easing the burden on public facilities. It would also be a critical step to improving the viability of private hospitals.

Queensland's Surgery Connect program exemplifies a successful public-private partnership aimed at reducing elective surgery wait times. Public hospitals identify patients who have been waiting for elective surgery for an extended period, and these patients are referred to the Surgery Connect program. Private hospitals, which have unused surgical capacity, agree to take on these referred patients, with the costs associated with performing these surgeries covered by the Queensland Government. Surgery Connect focuses on elective surgeries, particularly those that have long waiting times, such as cataract removals, tonsil and adenoid surgeries, joint replacements, and other non-urgent procedures. In the 2023–24 financial year, nearly 24,000 patients were referred to the program, significantly contributing to Queensland's leading position in elective surgery performance nationwide. While further investment in Surgery Connect has received additional funding to the end of June 2025, long-term funding is needed for this to be a sustainable solution.

How can governments be incentivised to address elective surgery waiting times?

The removal of performance-based funding and the National Health Performance Authority in 2014–15 has resulted in deteriorating public hospital performance.⁹ Reintroducing performance targets with performance-based funding under the National Health Reform Agreement could serve as a powerful incentive for public hospitals to collaborate with private hospitals. For example, states and territories could receive top up funding from the Commonwealth Government if x per cent of patients are treated within the clinically recommended timeframe. This would not only address the immediate backlog and improve the viability of private hospitals but also foster a more integrated and efficient health system.

What must be considered for public-private partnerships?

The costs of delivering care in public and private hospitals differ significantly, with private hospitals often having higher operational costs due to factors such as facility maintenance and staffing. The Department of Veterans' Affairs has individual schedules with most private hospitals as well as agreed medical rates with doctors, which could be leveraged immediately. Additionally, long-term agreements are needed to ensure private hospital capacity can be leveraged in a sustainable and efficient way, as the current sporadic contracts are more costly and unpredictable.

- ¹ Patients that should be seen within 90 days for essential procedures such as heart valve replacements, congenital cardiac defects, and surgery for unhealed fractures.
- ² Australian Institute of Health and Welfare (2019–2024). *My Hospitals: Elective surgery waiting times*. Retrieved 19/02/2025 from: <https://www.aihw.gov.au/reports-data/myhospitals/sectors/elective-surgery>
- ³ Patients that should be seen within 365 days for essential procedures such as cataract surgery, knee and hip replacements, and hernia repairs.
- ⁴ Australian Institute of Health and Welfare (2019–2024). *My Hospitals: Elective surgery waiting times*. Retrieved 19/02/2025 from: <https://www.aihw.gov.au/reports-data/myhospitals/sectors/elective-surgery>
- ⁵ Australian Institute of Health and Welfare (2019–2024). *My Hospitals: Elective surgery waiting times*. Retrieved 19/02/2025 from: <https://www.aihw.gov.au/reports-data/myhospitals/sectors/elective-surgery>
- ⁶ Note that the data reported by each state and territory come from different time points, ranging from September 2024 to February 2025.
- ⁷ Queensland Government (2024). *Planned surgery – activity*. Retrieved 19/02/2025 from: <https://www.performance.health.qld.gov.au/statewide-performance/planned-care/planned-surgery-activity>
Bureau of Health Information (2024). *Healthcare Quarterly*. Retrieved 19/02/2025 from: https://www.bhi.nsw.gov.au/_data/assets/pdf_file/0005/973886/BHI_HQ58_Jul-Sep2024_Report.pdf
Canberra Health Services (2025). *Elective surgery waitlist – Ready for care*. Retrieved 19/02/2025 from: https://www.canberrahealthservices.act.gov.au/_data/assets/pdf_file/0004/2439913/CHS-Inpatient-Waitlist-Surgery-20250213.pdf
Victorian Agency for Health Information (2025). *Patients waiting for treatment*. Retrieved 19/02/2025 from: <https://vahi.vic.gov.au/planned-surgery/patients-waiting-treatment>
Tasmanian Government, Department of Health. *Health system dashboard – monthly*. Retrieved 19/09/2025 from: <https://www.health.tas.gov.au/patients/health-system-dashboard/monthly>
Government of Western Australia Department of Health (2025). *Elective surgery monthly report*. Retrieved 19/02/2025 from: <https://www.health.wa.gov.au/Reports-and-publications/Elective-Surgery-Wait-List-ESWL-reports/Elective-Surgery-Monthly-Report>
South Australia (2024). *Elective surgery dashboard*. Retrieved 25/02/2025 from: <https://www.sahealth.sa.gov.au/wps/wcm/connect/public+content/sa+health+internet/about+us/our+performance/our+hospital+dashboards/about+the+elective+surgery+dashboard/elective+surgery+dashboard>
- ⁸ Victorian Agency for Health Information (2025). *Routine first appointments*. Retrieved 19/02/2025 from: <https://vahi.vic.gov.au/specialist-clinics/routine-first-appointments>
- ⁹ Australian Medical Association (2023). *What happens when we fund hospitals to perform*. Retrieved 19/02/2025 from: <https://www.ama.com.au/articles/what-happens-when-we-fund-hospitals-perform>