



The Hon. Greg Hunt MP
Minister for Health
Minister for Sport

MEDIA RELEASE

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Private patients in public hospitals remains a growing concern

The Turnbull Government is very concerned about the growing practice of private health insurance being charged by public hospitals for treatments that should be free.

Figures released this week by the Australian Institute of Health and Welfare (AIHW) show that state governments and hospitals are continuing to actively encourage patients to use their private health insurance to boost hospital revenue.

The number of privately insured patients in public hospitals grew by an annual average of 9.6 per cent between 2006-07 and 2015-16, compared with 4.9 per cent in private hospitals.

This practice is driving up private health insurance premiums and is blowing out public hospital waiting lists.

What we're seeing across Australia is that private patients are being treated in public hospitals with shorter waiting times.

Some of the differences in wait times are shocking. On average, the wait time for public patients is more than double.

And for some surgeries, such as a cataract extractions, public patients wait more than six times longer than private patients.

This inequity in the system between public and private patients is unacceptable and state and territory health authorities must stop this practice at the expense of their public patients.

All Australians are entitled to access public hospital services as a public patient, free of charge.

I have raised this issue with my state and territory counterparts on numerous occasions, including at the recent Council of Australian Governments (COAG) Health Council meeting. All agreed to consider the issue of private patients in public hospitals further, but this new AIHW report shows this needs urgent action.

The Turnbull Government is committed to ensuring a sustainable balance between our public and private health systems and we will be considering further actions in the broader National Health Agreement context.

Commonwealth funding for public hospitals is on track to significantly increase by 64 per cent between 2013-14 and 2020-21 from \$13.8 billion to \$22.7 billion. This is in addition to our funding for PBS, MBS, primary care and the Private Health Insurance Rebate.

The Commonwealth and states have agreed to negotiate a new public hospital funding agreement by the end of 2018, to take effect from 2020 and I will be expecting the issue of states harvesting privately ensured patients in their hospitals to play a role in these negotiations.

(ENDS)