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# NEW LONG-TERM COMMONWEALTH-STATE FUNDING AGREEMENT NEEDED – OR PUBLIC HOSPITALS DOOMED TO FAIL AMA Public Hospital Report Card 2018

AMA

AMA President, Dr Michael Gannon, said today that the latest AMA Public Hospital Record Card provides compelling evidence that <u>all</u> Australian governments need to meet in good faith to re-negotiate the COAG 2020-2025 hospital funding agreement if public hospitals are to build capacity to meet rapidly growing community health needs.

Launching the AMA's 2018 Public Hospital Report Card in Brisbane this morning, Dr Gannon said the public hospital funding crisis is the responsibility of all Australian governments.

"The blame game must end. We must take the politics out of public hospital funding. It is time to end the sneaky cost shifts," Dr Gannon said.

Dr Gannon said that the latest Commonwealth funding offer at February's COAG meeting – which is effectively a continuation of the current agreement, and which was accepted by two States – would lead to a continuation of the prevailing underperformance of hospitals due to significant underfunding and insufficient capacity.

"The current funding formula will doom our public hospitals to fail, and patients will suffer as a result. It is not just a Commonwealth responsibility. All governments need to urgently lift their game," Dr Gannon said.

"The average annual growth in Federal health funding of 2.8 per cent over the past five years and 4.3 per cent over the decade is too low. Equally, funding by the States has not kept pace with health inflation, with average growth rates of just 3.2 per cent over the last five years and 4.3 per cent over the decade.

"Put bluntly, the current COAG agreement is a funding formula for failure."

Dr Gannon said that the 2018 Report Card confirms the continuing downward trend shown in previous AMA Report Cards of recent years. Key 2018 findings include:

- public hospitals are treating more patients each year between 2011-12 and 2015-16, public hospital separations rose on average by 3.3 per cent, more than double the average population growth of 1.6 per cent over the same period;
- bed number ratios remain static for the general population, but have hit a 23-year low of 16.9 beds for every 1000 Australians aged 65 or older in 2015-16;
- waiting times for emergency departments have worsened, with only 66 per cent of urgent presentations seen within the recommended 30-minute timeframe in 2016-17;
- nationally, one in three of the 2.8 million patients who presented to an ED and needed urgent treatment in 2016-17 were not seen within the recommended timeframe;
- in half of the States and Territories, about one in five patients who need urgent elective surgery are waiting longer than the clinically-recommended timeframe; and
- the 'hidden waiting list' the unreported waiting time between GP referral and hospital specialist consultation is growing, and the waiting times are getting longer.

Dr Gannon said there needs to be greater recognition by governments of the vital role of public hospitals in our health system, and fund them accordingly for the long term.

"We have an ageing population and greater numbers of people with chronic and complex diseases, and our hospitals are increasingly required to meet the needs of more and more Australians.

"Public hospitals are the first port of call for emergency care and intensive care, and are the only choice of treatment for patients with urgent conditions like severe burns.

"They are also the only option for many Australians who live in rural and remote areas, and for the millions of Australians who don't have or can't afford private health insurance, and that growing number who are insured but discover too late that they are not covered for the treatment they require.

"As well as treating patients, public hospitals are the training ground for the future medical workforce, and they are the centres where medical innovation is developed and new treatments are carried out.

"If our public hospitals cannot increase their capacity to meet patient and community demand – and perform their vital training, research, and innovation functions – there is greater pressure placed on general practice and the private health sector," Dr Gannon said.

Dr Gannon paid tribute to all the hardworking and dedicated doctors, nurses, other health professionals, and hospital workers who continue to provide high quality care in public hospitals in extremely pressured and stressful environments.

"Despite the challenging conditions brought about by funding shortfalls, our public hospitals and their amazing staff are delivering high quality care to their communities – but the pressure must not be allowed to continue," Dr Gannon said.

"Safety and quality cannot improve in our public hospitals under these conditions.

"The sickest patients who present to emergency and need admission should not have to wait in emergency for hours because hospital resources are rationed too thin.

"Elective surgery patients should not wait as long as they currently do beyond clinically recommended timeframes.

"Unless public hospitals are funded appropriately to increase capacity over the life of the COAG funding agreement, doctors will continue to struggle to admit their patients and keep them in hospital to receive the critical care they require.

"Without new and additional funding to increase capacity, public hospitals will never meet performance targets and patients will wait longer for treatments," Dr Gannon said.

The AMA Public Hospital Report Card series is the only comprehensive reporting mechanism that presents core measures of hospital performance in a time series.

The AMA Public Hospital Report card 2018 is at <u>https://ama.com.au/ama-public-hospital-report-card-2018</u>

### **State and Territory Summaries**

#### New South Wales

Across all performance indicators in the 2018 AMA Public Hospital Report Card, New South Wales posted the best result.

#### **Emergency presentations**

In 2016-17, New South Wales recorded seeing 76 per cent of all urgent emergency (Category 3) presentations on time – although no improvement on the previous two years, it is a better achievement than any other jurisdiction.

In 2016-17, around 75 per cent (74.8) of emergency presentations had a length of stay 4 hours or less. There was no notable improvement on the previous two years, but a better result than the national average (72.4 per cent) and slightly better than any other jurisdiction.

### **Elective Surgery**

In 2016-17, around 98 (97.6) per cent of Category 2 elective surgery patients were admitted within the 90 day clinically recommended timeframe.

The two per cent of patients waiting for Category 2 elective surgery who were *not* treated within 90 days waited, on average, an additional 19.7 days before admission.

Both of these elective surgery results are the best of all jurisdictions.

#### <u>Victoria</u>

#### **Emergency presentations**

In 2016-17, the proportion of urgent emergency presentations in Victoria that were seen on time was 70 per cent – better than the national average of 66 per cent.

In 2016-17, the proportion of emergency presentations in Victoria with a length of stay 4 hours or less was 71 per cent (71.3).

This is just under par with the national average (72.4 per cent) and no improvement to the result achieved the previous year.

#### **Elective Surgery**

The headline data for Category 2 Victorian elective surgery patients admitted within the 90 day clinically recommended timeframe in 2016-17 was 80.2 per cent - up from 77.1 per cent the previous year.

However, the 20 per cent of Victoria's 89,825 Category 2 elective surgery patients who were *not* admitted within 90 days waited, on average, an additional 95.9 days before admission -a waiting time more than twice that recommended for their type of condition.

### <u>Queensland</u>

### **Emergency presentations**

In 2016-17, the proportion of urgent emergency presentations in Queensland that were seen on time was just 60 per cent.

This result continues the decline in this performance since 2012-13, and has reached the stage where one in four emergency patients are waiting too long for treatment in Queensland emergency departments.

The number of Queensland emergency patients who left emergency within 4 hours also declined to 73 (72.7) per cent in 2016-17. This continues the downward trend from a high water mark of 77 per cent in 2014-15.

### **Elective Surgery**

Queensland hospitals recorded good results in the proportion of Category 2 elective surgery patients admitted within 90 days in 2016-17 - 96 per cent. This is almost equivalent to the result in NSW (97.6 per cent).

The four per cent of Category 2 elective surgery patients that were not seen on time waited an average 45.5 days more.

Overall, Queensland posted good results, compared to the other jurisdictions, across all urgency categories of elective surgery that were registered on an official public hospital waiting list.

#### Western Australia

#### **Emergency presentations**

In 2016-17, only 50 per cent of urgent emergency presentations were seen within the recommended 30 minutes – a disappointing result and a continuation of the slide in performance on this emergency treatment indicator since 2013-14.

The percentage of emergency department visits completed in four hours or less also declined in 2016-17 to 74 per cent (73.8) – down from 76 per cent the previous year, and much lower than nearly 80 per cent in 2013-14.

### **Elective Surgery**

Western Australia also dropped its performance on the proportion of Category 2 elective surgery patients admitted within 90 days.

It is down from 89.3 per cent in 2015-16 to 87.5 per cent in 2016-17, which is a continuation of decline in performance that has prevailed since 2013-14.

The 12.5 per cent of Category 2 elective surgery patients not seen on time in Western Australian public hospitals waited, on average, another 72.8 days to be admitted.

#### South Australia

#### **Emergency presentations**

In 2016-17, only 52 per cent of urgent emergency presentations were seen within the recommended 30 minutes -a disappointing result and a sharp drop from around 70 per cent achieved in 2011-12.

The percentage of emergency department visits completed in four hours or less also declined in 2016-17 to 64 per cent – down from 66 per cent in 2015-16.

### **Elective Surgery**

South Australia also dropped its performance on the proportion of Category 2 elective surgery patients admitted within 90 days.

It dropped from 88.4 per cent in 2015-16 to 87.5 per cent in 2016-17.

The downward trend in the SA performance measure mirrors the downward trend in WA - a result at odds with the remaining six States and Territories.

The 12.5 per cent of Category 2 elective surgery patients not seen on time in SA public hospitals waited, on average, another 32.9 days to be admitted.

### <u>Tasmania</u>

#### **Emergency presentations**

Only 57 per cent of Tasmania's 54,600 urgent emergency patients were treated within the recommended 30 minutes in 2016-17.

This is a worse result than the previous year, and a continuation of the decline in this performance indicator since 2013-14.

64.7 per cent of Tasmanian emergency patients had a length of stay four hours or less in 2016-17 – the worst result since 2011-2012.

#### **Elective Surgery**

Tasmania posted a huge increase in the proportion of elective surgery patients admitted within the recommended period of 90 days. Substantial additional investment was welcome.

Coming off a very low base of 43.4 per cent in 2015-16, the proportion jumped to 61.6 per cent in 2016-17.

Despite this big improvement, the 38.4 per cent of Category 2 elective surgery patients who were *not* admitted within 90 days waited, on average, another 88 days (87.9) for surgery – nearly twice as long as the clinically recommended timeframe.

### Australian Capital Territory

#### **Emergency presentations**

ACT public hospitals only managed to treat half of the 55,175 urgent emergency presentations within 30 minutes.

But ACT recorded data that shows 73 per cent of emergency department visits were completed within four hours. This is a big jump from 63 per cent in 2014-15 (most recent previous data available).

### **Elective Surgery**

ACT reported that 81 per cent (80.9) of Category 2 elective surgery patients were admitted within the recommended 90 day period. This is up from 68.9 in 2014-15 (most recent previous reported data available).

The 20 per cent of ACT elective surgery patients not admitted within 90 days waited, on average, another 65.3 days for surgery.

### Northern Territory

#### **Emergency presentations**

Slightly more than half (55 per cent) of all urgent emergency presentations in the Northern Territory were seen on time in 2016-17. This is a small improvement from the 53 percent seen on time the previous year, but still a poor result.

It means 45 per cent of the 44,001 urgent emergency patients in the Northern Territory waited longer for emergency treatment than clinically recommended.

In the Northern Territory, around 64 per cent of emergency department visits were completed in four hours or less during 2016-17. This is only a marginal improvement on the result for the previous year.

#### **Elective Surgery**

In 2016-17, the proportion of Category 2 elective surgery patients admitted within 90 days jumped to 79.3 per cent – up from 66.9 per cent in 2015-16.

Behind this headline data, however, is extraordinarily long wait times for the 20 per cent of NT Category 2 patients who were not admitted within the recommended 90 days. These patients had to wait, on average, another 153.2 days– a total of 243.2 days before they received the elective surgery they need.

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