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Minister for Health and Ageing

MEDIA RELEASE

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Quicker Access to High Quality Hospital Care

The Government will invest more than \$3.5 billion over four years to deliver better public hospital services for all Australians.

The Rudd Government will invest:

- \$753 million to progressively reduce emergency department waiting times - with waiting times capped at four hours, to be progressively implemented from 1 January 2011;
- \$803 million to progressively reduce waiting times for elective surgery - with 95 per cent of Australians to receive their surgery within clinically recommended times from 1 July 2012;
- \$1.63 billion for an estimated 1,316 new sub-acute beds by 2013-14 – to support more rehabilitation, palliative care and mental health services, including in residential services and community-based settings; and
- \$200 million to use flexibly across the emergency departments, elective surgery and sub-acute services on the highest priorities within each state and territory.

A healthier community also means a healthier and more productive workforce, so these important reforms will also help strengthen our economy for the future.

These investments will support the delivery of around 1.2 million emergency department services and 90,000 extra elective surgeries over four years.

The 1,316 new sub-acute beds will support the delivery of an estimated 24,900 services a year, as well as freeing up an equivalent number of beds in public hospitals, once all the new beds are operational from 2013-14.

Through the establishment of the National Health and Hospitals Network, agreed at COAG in April 2010 with all states and territories except Western Australia, the Government is also making major reforms to the way public hospitals are funded and run:

- For the first time, the Commonwealth Government will become the dominant funder of Australia's public hospitals, funding 60 per cent of hospital activity, new and operating capital, and teaching, training and research costs.
- Local Hospital Networks will be established – to provide local clinicians and local communities with a greater say in how their hospital services are delivered.

Local Hospital Networks will also work with *Medicare Locals* to improve integration between hospital services and GP and primary care services in local communities.

From 1 July 2012, Local Hospital Networks will be paid on the basis of an efficient price for each public hospital service they provide to patients, under service agreements with the states and territories.

Over time, the Commonwealth will work with the states to move to fund 100 per cent of the efficient price of outpatient services such as allied health clinics. This will mean more services being provided in the community over time.

Changing the way hospitals are funded and run will make Australia's public hospitals more responsive to local communities. New funding arrangements – in particular the introduction of activity-based funding – will reduce waste and duplication.

This will ensure taxpayer health dollars are being used to deliver health services as effectively and efficiently as possible.

As part of the reforms agreed at COAG in April 2010, the Government will regularly publish data on the performance of Local Hospital Networks against national standards.

Additional funding will be provided to all States and Territories from 1 July, with the exception of Western Australia. The Government continues to discuss health and hospitals reform with WA.

For all media inquiries, please contact the Minister's Office on 02 6277 7220