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Private patient cash haul damaging Tasmanians' access to care

Tasmania's health service annual report shows a public health system failing patients, while raking in the cash from the privately insured in the state.

Australian Private Hospitals Association (APHA) Acting CEO Lucy Cheetham says the report illustrates the impact the cash grab for privately insured patients is having on access to public hospital care.

"We know from Australian Prudential Regulation Authority data that there has been significant growth in privately insured patients treated in public hospitals in Tasmania. In 2018-2019 this number was 21,456 – meaning one in seven public hospital beds were given up for privately insured patients.

Data from the Annual Report on Health in Tasmania shows the public system in Tasmania is in a dismal state as a result, she said.

"Patients who are reliant on the public system are being let down by the push to make money out of the privately insured. The Tasmanian health service is missing its own key performance indicators by a significant margin. Patients who, according to Tasmanian health, should be getting surgery within no more than 30 days are waiting up to 686 days for their surgery.

"All the while, the income generated from privately insured patients is on the rise, \$35,590,000 for 2018-2019 up from \$34,288,000 in 2017-2018. The take from private health insurance jumped 10 percent in 2018-2019," she said.

Other details around elective surgery show admission within the recommended time was achieved only 58 percent of the time, with a KPI of not less than 90 percent. Wait times for every category of surgery were high leaving patients waiting twice, seven times, even up to 22 times the target maximum number of days.

Ms Cheetham said another troubling detail in the report were concerns raised about non-compliance with taxation and superannuation legislation to do with the Private Patient Scheme. This should lead to the Federal Auditor-General reviewing all states.

"We saw the same thing in Victoria in June where their Auditor-General found the Victorian Department of Health and Human Services incentivised public hospitals to coerce patients into private treatment. That report found the practice – particularly if private patients were treated ahead of the public – a potential breach of the National Health Reform Agreement, which could result in the Federal Government asking for its money back.

"Federal Health Minister Greg Hunt has called states out on this practice and they must account for their actions as hospital funding negotiations enter their final phase. The fact that by their own admission and reporting public hospital systems are failing public patients to such a significant degree should be impetus alone to end this practice," Ms Cheetham said.

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Media contact: Frith Rayner, Director Communications and Marketing, 0413 971 999



Australian
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Association



The Australian Private Hospitals Association (APHA) is the peak industry body representing the private hospital and day surgery sector. The private hospital sector treats 4.5 million patients a year, including treatment of a third of chemotherapy, 60 percent of all surgery, 74 percent of all elective musculoskeletal surgery and 80 percent of rehabilitation.