



Australian Health Care Reform Alliance

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MEDIA RELEASE

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Health reform critical for equitable access to health care

The Australian Health Care Reform Alliance (AHCRA), a coalition of more than 40 health professional and consumer organisations, is increasingly concerned at speculation that Labor is about to jettison some of its proposed health reforms.

“There has been no formal announcement so we remain in the dark,” said AHCRA Chair, Tony McBride. “But if the reports are true then it is of concern for various reasons.

“First, it signals a reduction of Commonwealth funding to hospitals, cementing the historically low levels of the Howard era. The Commonwealth historically funded 50 per cent of costs. This will be bad news generally, but especially for lower income Australians who rely more heavily on public hospitals than those who are better off. It also means the States will not be able to afford to run the system within the next two decades.”

Mr McBride said such a shift could reduce the Commonwealth’s incentive to make primary health care and aged care more effective.

“If the Commonwealth has to pay the majority of funding for hospitals, which is the most expensive form of care, there is a very strong incentive to keep people healthy and stop unnecessary hospital admissions. Similarly, there is incentive to provide an aged care bed quickly for older people ready for discharge.

“If recent media reports are well founded it is a signal that the government is turning its back, rather than trying to solve the more serious aspects involved in the Blame Game. It will be back to business as usual, each blaming the other, with the health consumer the eventual loser. There is widespread agreement, including by the National Health and Hospitals Reform Commission, that this is a major fault line in the current system,” Mr McBride said.

AHCRA’s main criticism of the reform process to date is that it does not address inequity. Not all Australians enjoy a fair go when it comes to health care. Some people have much better access to care, some a better quality of care and some better health outcomes. These can vary depending on income levels or the communities in which they live, including rural and remote Australia.

“Funding formulas are the key to resolving this inequitable situation yet most systems still do not take differing needs into consideration. Needs-based funding should be the basis of the entire system, distributed to regional bodies who know their areas well and can manage locally-appropriate health systems,” according to Mr McBride.

AHCRA’s concern over inequity is one of the major themes of its Health Reform Summit to be held in Canberra tomorrow and on Wednesday. The venue is the Rydges Capital Hill in Forrest.

The Federal Minister for Health and Ageing, Nicola Roxon, is a keynote speaker at tomorrow’s morning session. The Summit will also look at primary health care reforms as well as prevention, mental health and other challenging issues.

“We can only hope that yet another health reform agenda is not going to be prematurely trashed,” said Mr McBride.

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