



CHF calls on all Australian Governments to work together in the best interest of Australian's health and public hospital system

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When we don't get our hospital spending right, the consequences are dire for Australians, many becoming sicker and of course sadly, some will die as a consequence of delayed care, says CEO of Consumers Health Forum of Australia (CHF) Dr Elizabeth Deveny.

Dr Deveny's comments come at the same time as State and Territory Health Ministers are meeting to urgently discuss their hospital funding agreement with the Federal Government and on the day that the Grattan Institute released their *Smarter spending: Getting better care for every hospital dollar* report. The report highlights how \$1.2 billion can be saved each year through better healthcare spending and system efficiencies.

"We know that public hospital costs are growing, as is the demand on them by a growing Australia, an ageing population and more people living with chronic diseases, it's pretty clear there will be increased demand now and into the future and with that increase should come an increase in funding from all levels of government," said Dr Deveny.

Along with financial pressures on the system, there are also structural system issues which waste money and don't provide better health outcomes for consumers.

"We do have a problem, but it's not just spending, it's also about how the healthcare system is structured. There's too much duplication, too little coordination, and too little investment in prevention and primary care.

People end up in hospital because the earlier parts of the system aren't funded well enough," said Dr Deveny.

CHF agrees with many points made in the Grattan Institute's report including the overall theme that the efficiencies of the healthcare system should be enhanced to ensure that there is little or no wastage in hospital funding and that efficiencies which benefit the care of consumers are undertaken.

"I think the report well makes the point that our public hospitals are operating in this sort of annual rollercoaster of funding and operating budgets which will just never be met, so you sort of have to think, what's the point in repeating this cycle?"

"Something must change. We need to see a two-pronged approach of more financial investment coming from governments, but that all efficiencies and models of care which can provide consumers the best health outcomes and recovery options are explored. Nobody wants hospital funding to be inefficient or wasted," said Dr Deveny.

Dr Deveny noted that the Grattan Institute report showed about \$1.2 billion a year is wasted on things that don't actually improve care. And at the same time, CHF's National Consumer Sentiment Survey, which asked 5000 Australians about their experiences with and thoughts on the current healthcare system, showed one in four Australians have already put off seeing a doctor because they couldn't afford it or couldn't get an appointment. The real issue isn't that hospitals are doing too much, it's that we aren't spending smartly enough to keep people well and out of hospital in the first place.

CHF believes that any efficiency reforms and future investment into Australia's public hospital system must include consultation and co-design with consumers and that the best health outcomes of consumers, not the balance sheet of hospitals, must remain the focus of this work.

Dr Deveny also noted that Australia needs to spend more money on preventative health options and primary health care to keep Australians well and out of hospital.

“Hospitals should not be the default and of course, one physical health problem quickly becomes two when people delay care and the next thing you know, it’s costing them as well as the system a lot more than it should.”

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