

Hospital-at-Home as a Growth Opportunity: Australia's Blueprint for Scalable Acute Care

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Hospital-at-Home (HaH), known as Hospital in the Home (HITH) in Australia, is redefining healthcare delivery by bringing hospital-level treatment into patients' homes. Driven by digital health, remote monitoring and AI, the model is improving patient outcomes, easing pressure on hospitals and offering a scalable solution to the growing burden of chronic disease and ageing populations.



Healthcare delivery is undergoing structural reconfiguration. What began as a tactical response to hospital capacity pressure is now maturing into a structured model of care, where appropriate patients receive hospital-level treatment at home, supported by digital platforms, remote monitoring, and coordinated clinical oversight. Hospital-at-Home (HaH), referred to as Hospital in the Home (HITH) in Australia, sits at the centre of this shift.

Globally, the model is gaining traction. Frost & Sullivan estimates indicate that the global Hospital at-Home segment will grow to about \$26.1 billion by 2029 from approximately \$10.6 billion in 2024, reflecting a ~19.5 per cent CAGR. Growth is driven by ageing populations, rising chronic disease burden, and the need to reduce hospital costs while improving outcomes. While the United States and Europe have led early adoption, Australia has emerged as one of the most mature HaH markets in Asia-Pacific. This maturity is not incidental. It reflects a strong alignment between system pressures, policy frameworks, and digital readiness.

Why Does the Model Work in Australia?

Australia's healthcare system operates under significant demand pressure. The country recorded 12.6 million hospitalisations and over 40 million outpatient services in 2023–24, supported by more than 700 public hospitals and ~67,000 beds. At the same time, nearly half of Australians live with at least one chronic condition, driving repeat admissions and long-term care needs. Expanding physical hospital capacity is both capital-intensive and slow. Workforce availability further constrains expansion, particularly in regional and remote areas where shortages of clinicians and nurses persist. These structural realities make HaH a structurally necessary care model rather than an optional alternative.

The model addresses these pressures directly. By shifting clinically stable patients to home settings, hospitals effectively expand capacity without adding beds. Global benchmarks indicate that HaH programmes can deliver 30–40 per cent shorter lengths of stay, ~30 per cent lower cost per episode, 40–45 per cent lower readmissions, and up to 50 per cent reduction in emergency visits. These outcomes are meaningful system-level gains, particularly for publicly funded healthcare systems like Australia's.

Scale, Definition and Clinical Confidence

Australia is among the most advanced HaH markets in APAC. Frost & Sullivan analysis indicates that over 50 hospitals currently offer HITH or equivalent services, spanning both public and private systems. The model is clinically and operationally well defined. HITH in Australia refers to acute admitted care delivered in a patient's home under hospital governance, not simply home care or post-acute support. Patients are assessed within hospitals, typically in emergency or inpatient settings, and transferred home if clinically appropriate. Care is then delivered through a combination of remote monitoring, virtual consultations, and in-home clinical visits, with escalation pathways back to the hospital if needed.

The range of conditions treated reflects institutional confidence in clinical risk management. Common use cases include pneumonia, cellulitis, COPD, heart failure, urinary tract infections, deep vein thrombosis, and post-surgical recovery, along with infusion therapies and wound care. Providers such as St Vincent's Health Australia, Silverchain, and state-led HITH programmes in Victoria, New South Wales (NSW), and Western Australia (WA) have steadily expanded these pathways. Australia has also moved beyond traditional HITH into virtual hospital models. The RPA Virtual Hospital in New South Wales, launched in 2020, operates 24/7 and has managed thousands of patients through remote care pathways. These models rely heavily on centralised command centres, where clinicians monitor patient data in real time to coordinate interventions.

Digital Infrastructure as a Foundation, not a Feature

The scalability of HaH in Australia is closely tied to its digital health infrastructure. Remote patient monitoring devices capture real-time data on vitals such as heart rate, oxygen saturation, blood pressure, and glucose levels. This data is transmitted to centralised systems, enabling clinicians to track patient status continuously. Telehealth has further strengthened this model. Expanded reimbursement during and after COVID-19 normalised virtual consultations, making remote clinical interaction a routine part of care delivery. Platforms developed by players such as Telstra Health and Alcidion enable integration between hospital systems, remote monitoring tools, and care coordination workflows. Importantly, HaH in Australia is not built on isolated technologies. It is built on integrated workflows. Patient selection, monitoring, escalation, and discharge are all embedded within hospital systems, ensuring continuity and accountability.

AI as the Force Multiplier

Artificial intelligence (AI) is increasingly shaping the next phase of HaH evolution. While digital platforms enable data collection, AI enables interpretation and action. In Australia, AI is being applied in areas such as risk stratification, early warning systems, and care prioritisation. Predictive models can identify patients at risk of deterioration based on continuous monitoring data, allowing earlier intervention and reducing hospital readmissions. AI also helps optimise workforce allocation by prioritising cases and reducing unnecessary clinical interventions. Globally, AI-enabled models have demonstrated improvements in operational efficiency and clinical outcomes. In the Australian context, the value lies in augmenting limited workforce capacity while maintaining care quality.

Policy Alignment and Funding Dynamics

Australia's HaH ecosystem is supported by evolving regulatory and funding frameworks. In the public system, HITH is integrated into hospital services and funded as part of admitted care. State level programmes in Victoria, NSW, and WA provide structured guidelines for service delivery, ensuring clinical governance and patient safety. In the private sector, adoption is growing, with insurers such as Allianz Care Australia and GMHBA offering Hospital-at-Home programmes for eligible patients. The Private Health Insurance Act 2007 provides the regulatory foundation for hospital-based services, including those delivered outside traditional settings. This alignment between policy and care delivery has been critical. Markets where Hospital-at-Home is recognised as core hospital care, rather than an adjunct service, tend to scale more

sustainably. Australia's experience illustrates this distinction clearly.

What Comes Next

Despite its progress, the Australian HaH model still has room to evolve. Adoption remains uneven across states and between public and private systems. Reimbursement frameworks, particularly in the private sector, are still developing. Interoperability between digital systems can be further strengthened to enable seamless data flow across providers. The next phase of growth will likely focus on expanding use cases, integrating AI more deeply, and standardizing care pathways nationally. Chronic disease management, oncology support, and post-surgical care represent areas where HaH can scale further. There is also an opportunity to extend the model into regional and remote areas, where workforce shortages are most acute. Hybrid models combining HaH with telehealth and mobile care units could significantly improve access in these settings.

Lessons from Australia

Australia's experience offers several lessons for other markets. Hospital-at-Home works optimally when it is embedded within hospital systems directly. Digital health infrastructure is necessary but not sufficient; integration into clinical workflows is critical. AI can enhance the model, but its value lies in supporting clinicians rather than replacing them. Most importantly, Hospital-at-Home is not just a cost-saving measure. It is a way to redesign care delivery around patient needs while preserving system efficiency. Australia has already moved in that direction. The next step is scaling it consistently across the system, and in doing so, setting a benchmark for the rest of the region.

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