Private Healthcare Australia
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Data shows more private mental health hospital beds are being added to the system

Data on private hospital licenses and expansions shows Australia's private mental health sector is continuing to expand.

The publicly available data shows more mental health beds have opened in new private mental health hospitals over the past five years than were lost in standalone mental health hospital closures. Several hospitals have also been redeveloped to include extra private mental health beds, and two new mental health hospitals are currently under construction.

The data shows:

- Although seven dedicated private mental health hospitals have closed over the past five years, seven new facilities have opened.

- These new hospitals collectively provide around 316 new beds, compared to about 267 beds lost through known closures.

- Existing hospitals have also expanded significantly including Belmont Private Hospital in QLD (20% capacity increase to 185 beds); Abbotsford Private Hospital in WA ($20 million redevelopment adding 47 beds); and Northpark Private in VIC and Maitland Private in NSW, which now have more than 40 additional beds combined.

- Two further purpose-built private mental health hospitals in Southport QLD and Adelaide SA are currently under development and due to open by 2027. Significant mental health care expansion is also underway in Kellyville NSW with 60 inpatient mental healthcare beds to be available in 2027 to meet rising demands in Western Sydney.

CEO of Private Healthcare Australia, Dr Rachel David, said while every closure of a mental health facility was concerning for patients and their families who had used its services, the sector was growing with more modern patient-centred services proliferating.

"It's important the public understands the full picture. Australia's private mental health sector is not shrinking. In fact, it is modernising and expanding to meet changing consumer demand and new models of care designed by mental health experts," Dr David said.

"Psychiatrists are increasingly choosing to treat people in the community or at home because that's where patients prefer to recover, and where outcomes are often better. Hospital care will always be essential for some, but more people are receiving care outside of hospitals nowadays."

Dr David said health insurers were committed to ensuring Australians could continue accessing affordable, high-quality mental healthcare in both hospital and community settings.

"Health insurers are paying out more claims than ever for mental health care, which is consistent with this growth. The Government's latest Hospital Casemix Protocol (HCP) data shows health insurers paid 6% more for hospital based mental healthcare in 2023-24, compared to the previous year," she said.

"The system is by no means perfect and is facing major challenges. We have a mental health workforce shortage, and some psychiatrists are charging very high fees for appointments in the community, which is a major barrier to people receiving treatment. The Federal Government is working with the private health sector on these issues.

"It is also a challenging environment in regional Australia where health workforce shortages are most acutely felt and are impacting the viability of private mental health services. This is a difficult issue to fix which is why the Federal Government's CEO Forum on private health reform has brought together multiple stakeholders to consider solutions. This process needs to be given a chance to work."

The following tables include verified links from online sources including national and local news, industry commentary, hospital announcements, and business or administrative updates.

New Private Mental Health Hospital Facility Openings since 2020 (still in operation today)

Hospital	Location	State	Opening Date	Total Beds
Hader Clinic Queensland Private	Brisbane	QLD	May 2021	25
Wandi Nerida	Mooloolah Valley	QLD	Jul 2021	13
Deakin Private Hospital	Deakin	ACT	Jul 2023	52
Hirondelle Private Hospital	Chatswood	NSW	Jan 2024	45
Avive Clinic Mornington Peninsula	Mount Eliza	VIC	May 2024	60
Avive Clinic Brisbane	Windsor	QLD	May 2024	63
Nundah Private Hospital	Nundah	QLD	Mar 2025	58

Private Mental Health Hospital Facility and Inpatient Service Closures since 2020

Hospital	Location	State	Closure Date	Total Beds
Dayhab	Glen Waverley	VIC	Mar 2022	-
St Helen's Private Hospital	Hobart	TAS	Jun 2023	39
Bethesda Clinic WA*	Cockburn	WA	Feb 2024	75*
Wesley Hospital Ashfield	Ashfield	NSW	Apr 2024	38
Wesley Hospital Kogarah	Kogarah	NSW	Apr 2024	30
The Toowoomba Clinic	South Toowoomba	QLD	May 2024	27
Toowong Private Hospital	Toowong	QLD	Jun 2025	58

*Bethesda Clinic WA: While privately owned, the clinic's patient numbers never exceeded 27 despite a 75-bed capacity. The WA Government assumed the lease in 2024 and reopened it as a public mental health facility — effectively transferring services to the public sector.

Recent Private Mental Health Inpatient Service/Capacity Expansions

Hospital	Facility Type	Details of Expansion	Completion Date	Source
Abbotsford Private Hospital (West Leederville, WA)	Dedicated (Standalone) Private Mental Health Hospital	$20 million redevelopment **adding 47 beds and new therapy facilities**; **capacity more than doubled to 77 beds.**	Mar 2024	NWH Properties News
Belmont Private Hospital (Carina, QLD)	Dedicated (Standalone) Private Mental Health Hospital	$21 million expansion **increasing beds available to mental health patients by 20%, bringing the total 185 beds.**	Sep 2023	Aurora Health News
Brisbane Waters Private Hospital (Woy Woy, NSW)	Private Hospital with Mental Health Unit	Added **27 beds to its Central Coast Clinic in late 2023**. The $11 million projec**t created the Central Coast's largest private mental health unit.**	Nov 2023	Brisbane Waters Private Hospital News

Private Mental Health Ward Closures include:

Hospital	Location	State	Closure Date	Total Beds
Eden Private Hospital	Cooroy	QLD	Feb 2024	24
Sunshine Private Hospital	Melbourne	VIC	May 2024	21