



Private Healthcare Australia
Better Cover. Better Access. Better Care.



Modernising referral pathways

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About Private Healthcare Australia

Private Healthcare Australia (PHA) is the Australian private health insurance industry's peak representative body. We have more than 20 registered health funds throughout Australia as members and collectively represent 99% of people covered by private health insurance. PHA member funds provide healthcare benefits for more than 15 million Australians.

Introduction

PHA welcomes the opportunity to contribute to the consultation on modernising referral pathways.

Urgent action is necessary to curb rising medical specialist fees, which are forcing a growing number of Australians to delay or abandon vital medical care. Modernising referral pathways is a vital component of this work.

PHA applauds the legislation currently before the Parliament, which will allow the Australian Government to publish the fees of all medical non-GP specialists on the Medical Costs Finder (MCF) website. This will increase transparency and improve access to care.

PHA has also recommended stronger consumer protections to prevent surprise billing and hidden fees, improving specialist supply in regional areas and increasing competition in cities with shortages. Scope-of-practice reforms to better utilise the healthcare workforce, including nurses, midwives, and nurse-practitioners, are also required to expand patient choice.

In February 2026, PHA released a report with Mandala titled [***Restoring affordable access to specialist care in Australia***](#). This report was based on a national survey of more than 4,000 randomly selected Australians — including 2,300 referred to a specialist recently — which revealed widespread concern about affordability and access to specialist doctors. The vast majority said they wanted the federal government to make specialist care more accessible.

The survey found almost one-in-three Australians (30 per cent) have delayed or cancelled specialist care due to cost in the past three years. This rises to one-in-two families with multiple children managing long-term health conditions.

Patients are also experiencing widespread bill shock and hidden fees when accessing community-based care from non-GP specialists such as psychiatrists, surgeons and cardiologists, according to the survey. Families, young people and regional Australians are hardest hit. In addition, 61 per cent of rural Australians says they cannot get a timely appointment with a medical specialist due to shortages in regional areas.

People are delaying medical care they need because they are worried about the cost, cannot afford the fees, or access a specialist near where they live. The alternative is joining long waiting lists to see a specialist at public hospitals free of charge, which can take years. In some cases, there may not even be a suitable specialist available nearby in the public system.

This is forcing people to make impossible choices for themselves and their families. It is causing unnecessary pain and anxiety for people across the country. It is also reducing productivity.

The survey found:

- one-in-two people did not know the fee for their specialist appointment before attending
- 38 per cent received a bill they were not expecting
- 55 per cent received a bill larger than expected
- 29 per cent were charged illegal ‘administration’ or ‘booking fees’ not visible through Medicare, and
- 18 per cent were asked to pay non-refundable deposits before their appointment.

Between 2019 and 2024, GP attendances rose by four per cent, while initial specialist consultations fell by eight per cent. This suggests patients are being funnelled back to GPs rather than receiving timely specialist treatment.

A total of 89 per cent of respondents supported a reform package that included referral tools to help GPs show patients local specialists and typical fees.

Within this broader context, modernising the referral pathways from general practitioners to other medical specialists is both welcome and necessary.

Quantitative research

Consumers who took part in our recent research were asked multiple questions related to referral pathways.

They were asked about the perceived importance of the Australian Government improving patients’ ability to make an informed choice of specialist or surgeon. The survey revealed an overwhelming 94% of Australians perceived it as important (66% very, 28% somewhat, 3% not important). These numbers were consistent across location, country of birth, language spoken at home, voting intentions and income levels, while slightly more important for people aged over 35, and more important to women than men.

For participants with chronic disease themselves and in their family, these numbers were even higher – 76% deemed it very important, 21% somewhat important and 1% not important. For families under a great deal of financial stress, it was more likely to be seen as very important (76%).

The full report, with other relevant data, has been made available to the Department.

Qualitative research

In the lead up to the release of the above report, PHA also conducted focus group with a wide range of Australians. It revealed participant attitudes toward medical specialists (including fees) and policy proposals in this space are seen through the four inter-related factors:

- **Quality** – while specialists, in a general sense, still hold a high degree of trust and goodwill (borne of the relief/reassurance they represent) there are strong perceptions of variability in quality. This variability has eroded any clear and consistent sense of there being a natural relationship between care cost and quality.

- **Cost and Sacrifices** – in a context where participants see specialist fees being set by factors other than quality, they are animated by the quantum of the cost. Across demographics, participants relay stories of the sacrifices and hard choices they have to make to be able to afford specialist care. The frustration, anxiety and guilt associated with these sacrifices should not be under-estimated.
- **Transparency** – cost anxieties are exacerbated by uncertainties around the cost of specialist medical care and billing processes due to a lack of transparency. The murkiness around costs/billing erodes participants’ sense of agency (i.e. they can’t plan care costs) and dignity (i.e. they have to ring clinics to find out if they can afford an appointment or not). Qualitatively, transparency does appear to be worse in the surgical space compared with other specialists.
- **Choice** – there is a prevailing sense among these participants of having little real choice in their specialist. They feel their options are constrained either by supply/availability of specialists/appointments, especially in regional areas, or by the simple fact that GPs typically only provide them with one referral. Indeed, some participants say initiatives that aim to reduce costs or improve transparency cannot be effective if choice isn’t there.

The full report on the focus groups has been provided to the Department.

Response

Standard information on referrals

PHA supports mandating standard information being provided with medical referrals.

PHA recommends this information include:

- **Un-named referrals** - A referral should be for a specialty with recommended providers listed after a clear statement that the referral is valid for any specialist in the field. This is beyond the current “small print” regulations for pathology and provides a clearer signal to the consumer.
- **Fee information** - The referral should provide a link to the Medical Costs Finder website, and where possible, information about any named doctors’ fees. If the fee information is not known, that should be stated.
- **Rights to informed financial consent** - A brief statement should be included to acknowledge the patient should be informed of the fees before attending the consultation. The referral should also state that additional charges must be disclosed to both the patient and to Services Australia. The referral’s small print should also note that private health insurers are prohibited from covering medical specialist fees for services provided outside hospital.

From the research

Another key part of the feeling of having no or limited agency is the perception that patients have very little choice when it comes to selecting a specialist. While this factor was present across groups, it was most notably intense in CALD groups.

*There is seen to be a particular choke point in the process that restricts a patient’s ability to find a specialist they can afford (even if transparency was not issue): **the GP only writes a referral for one specialist.** Many participants report feeling constrained by this.*

Sharing to MyHealth Record

PHA supports all referrals to non-GP specialists being automatically shared to MyHealth Record, unless the patient specifically requests otherwise.

Referral validity periods

PHA supports changes to referral validity periods to align with modern clinical practice and contemporary healthcare needs.

Second opinions

PHA supports allowing patients to use an existing referral to seek a second opinion. This would empower patients and reduce costs and inconvenience. We recommend this right be encoded in the mandated form of referral (see example above).

Issues not covered in the consultation paper

Facilitating discussions on cost

The proposed referral pathways will require additional support for general practitioners. GPs may not know the cost structures for every specialist in their area and collecting that information for each referral through Medical Costs Finder will be cumbersome.

Further, patients may be reluctant to discuss their financial capacity with their GP.

PHA recommends that the Australian Government collaborate with general practice representative bodies and software vendors to ensure that, when the referral process is initiated, the screen displays relevant specialists along with their fees (populated through Medical Costs Finder). This would enable the GP to present several options to the patient and provide a more supportive and less confronting way for patients to raise any financial concerns.

Automation of the referral process

To properly implement the improved referral pathways, the government should set a goal of fully automating the referral process.

Automating the referral process from general practitioners to other medical specialists, incorporating the Medical Cost Finder data, will improve access to care for consumers, increase compliance, and allow for reporting so if a patient does not follow through with the referral for any reason, this is flagged to the referring doctor.

General consultation questions

On a scale of 1-5, where 1 means you disagree completely and 5 means you strongly agree, how much do you agree with the below statements?

1. The current referral process makes it easy for patients to access specialist care.

Disagree completely 1 2 **3** 4 5 Strongly agree

2. Common referral validity periods (12 months for GP referrals, 3 months for specialist-to specialist referrals) meet health needs.

Disagree completely 1 **2** 3 4 5 Strongly agree

3. Longer or indefinite referral validity periods would improve patient experience and reduce unnecessary costs.

Disagree completely 1 2 3 4 **5** Strongly agree

4. Patients should always receive a copy of their referral.

Disagree completely 1 2 3 4 **5** Strongly agree

5. Including cost information and links to Medical Costs Finder on referrals would help patients make more informed financial decisions.

Disagree completely 1 2 3 4 **5** Strongly agree

6. Patients should be able to switch specialists under the same referral without needing a new referral.

Disagree completely 1 2 3 4 **5** Strongly agree

7. The treating non-GP specialist should be required to inform the referring doctor of a patient's treatment progress throughout the duration of the referral.

8. Disagree completely 1 2 3 **4** 5 Strongly agree

Consultation questions for peak bodies

On a scale of 1-5, where 1 means you disagree completely and 5 means you strongly agree, how much do you agree with the below statements?

1. Consumers understand current referral arrangements, including who can issue them, how they can be used, and what their rights as patients are.

Disagree completely 1 **2** 3 4 5 Strongly agree

3. The current referral default/maximum validity periods (12 months for GP referrals, 3 months for non-GP specialist-to-non-GP specialist referrals) reflect the clinical needs of patients.

Disagree completely 1 **2** 3 4 5 Strongly agree

4. Extending referral validity periods would better support patients with chronic and complex conditions.

Disagree completely 1 2 3 4 **5** Strongly agree

Possible example standard referral form

You are being referred for specialist [gastroenterology]. This referral is valid for any specialist [gastroenterologist].

You may wish to consider:

- Dr X (location, contact details, fees for an initial consultation)
- Dr Y (location, contact details, standard fees are not available, please contact the practice for fee information)
- Dr Z (location, contact details, fees for an initial consultation)

You have a right to know the fees for a specialist consultation at the time of booking, and any Medicare rebate. If you are concerned about the fees, please talk to the specialist practice about your circumstances.

The fees listed above are for the initial specialist consultation. Your specialist may also provide other services (such as diagnostic tests) which may also have an additional charge. Please ask your specialist practice about common additional fees.

Should you wish to seek a second opinion, this referral will remain valid for the same course of treatment.

Note that any booking fees, administrative charges or other fees must be clearly displayed and included on the invoice with your consultation fee – it is illegal to bill another charge when billing Medicare.

Note that private health insurance is prohibited from covering out of hospital specialist fees but may cover any in-hospital care you receive. Please check with your insurer.

A copy of this referral will be available on your MyHealth Record unless you specifically ask me not to include it.