



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



**Health Legislation Amendment (Improving Choice and  
Transparency for Private Health Consumers) Bill 2026**  
Senate Community Affairs Legislation Committee  
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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

Private Healthcare Australia supports the *Health Legislation Amendment (Improving Choice and Transparency for Private Health Consumers) Bill 2026* (the Bill) and recommends it be passed without amendment.

The Bill allows government to publish individual specialists' fees on the Medical Costs Finder (MCF) using Medicare and insurer billing data, addressing a critical information failure that keeps many Australians from accessing specialist care they need. Greater visibility of fees will help patients compare options, avoid bill shock and make better informed choices – improving attendance at specialist appointments and supporting the sustainability of Australia's mixed public–private health system.

This legislation is an important step towards restoring affordable access to specialist care and ensuring the private health system remains accessible and sustainable to take pressure off the public system.

Too many Australians are walking into specialist appointments “in the dark”, or worse, not going at all because they're concerned about the potential cost.

Greater visibility of specialist fees will help alleviate these concerns and the potential consequences.

## Background

When patients are referred from a general practitioner (GP) to another medical specialist, they either have a serious medical condition, or have a potential problem that needs investigation.

Research conducted by Redbridge last year on behalf of PHA shows around 30% of people referred to a medical specialist over the past three years did not attend due to concerns about cost.

More than half of people who attended specialist care over the same period did not know the cost before their appointment, and 38% received an unexpected bill after an appointment.

Ensuring consumers and their GP know the costs of an initial specialist appointment, as well as likely procedural costs, will improve the number of people attending specialist care, and reduce the angst patients are currently experiencing.

## Legislation and implementation

This legislation will ensure the MCF website is able to utilise data from Services Australia to list the costs of appointments, procedures, and other Medicare data for all doctors, starting with medical specialists. Private health funds will also contribute data so patients can see the full out-of-pocket costs for in-hospital services. (Health funds are prohibited from paying for medical consultations outside of hospital.)

This is a necessary foundation for the MCF website to be populated with real data for every doctor. The current, voluntary process has failed dismally, with only 88 doctors listing their fees. Once the site is populated with real data, PHA will be recommending integrating the MCF website with general practice software to ensure GPs have discussions with their patients about not only the most suitable specialist for their condition, but also based on their financial circumstances.

Currently, GPs are not equipped with information on specialist fees and it is difficult to open a conversation with patients about capacity to pay. A fully automated MCF website integrated within practice software will help ensure these necessary conversations can occur.

PHA notes the Australian Government is consulting on [modernising referral pathways](#), proposing changes that will further improve choice and transparency for patients. PHA has provided a [submission](#) to this consultation process.

## Polling data

Redbridge's consumer research shows Australians want transparent, fair and predictable costs when receiving medical treatment. In the randomised sample of more than 4,000 people conducted late last year, support for this was overwhelming. Participants were asked about perceived importance of the Australian Government making it easier for patients to understand what they'll be charged. Overall, 73% considered it very important, 22% somewhat important, and 3% not important.

These figures did not significantly differ by voting intention, employment status or income. However, people under financial stress were more likely to consider it very important (84%).

Focus groups reported anxiety around hidden fees and a lack of agency in choosing specialists, especially where referrals named only one provider. Publishing actual fees and integrating these data into referral tools will improve consumer agency, reduce bill shock and support informed decision-making.

## Affordability, uncertainty and missed care

Too often, Australians face specialist fees that are unknown, unpredictable or unreasonably high. As mentioned above, representative polling commissioned by PHA shows around 30% of people referred to a medical specialist over the past three years did not attend due to concerns about cost. In addition, more than half did not know the cost before their appointment and 38% received an unexpected bill afterwards.

Independent analysis by Mandala – contained in the report [Restoring affordable access to specialist care in Australia](#) – reinforces the scale of the problem: approximately 900,000 Australians delayed or avoided specialist care due to cost in 2024, with the risk rising to 1.2 million by 2030 without reform. Consumers currently face a median \$270 out-of-pocket cost for in-hospital specialist services. This has gone up sharply in recent years and many report hidden or add-on fees that are unlawful.

Public communications and sector commentary has also highlighted that MCF's voluntary participation model has failed to provide comprehensive fee information. The upgrade proposed by this Bill – publishing actual fees for all specialists using existing government and insurer data – directly remedies this transparency gap.

## Why the Bill is necessary and proportionate

### Publishing actual fees at the clinician level

The Bill amends the *Health Insurance Act 1973* and the *Private Health Insurance Act 2007* to permit publication of information on medical fees charged by medical practitioners on Medical Cost Finder, giving consumers visibility of the doctor's fee, Medicare rebate and insurer benefit for in-hospital services. This is a practical, low-cost step that uses data government already holds.

### Fixing a failed voluntary model

The current voluntary model produced very limited uptake, which is insufficient for meaningful consumer choice or GP decision-support. Mandating publication via Services Australia and insurer data is the only way to achieve comprehensive coverage, comparability and utility across specialties and regions.

### Enabling better referral decisions and informed consent

Reliable fee information is a precondition for modern referral pathways and robust informed financial consent. Embedding MCF data into GP workflows (for example, referral templates with links and pre-populated fee ranges) will normalise affordability discussions and support better matching of patients to clinicians, according to clinical need and financial considerations.

## Implementation considerations for Medical Costs Finder

PHA supports rapid implementation and recommends the following practical steps:

- Data sources and scope – Use Services Australia claims data to publish initial consult and procedure fees at the individual practitioner and procedural team level; for in-hospital services, including insurer benefits to show likely out-of-pocket amounts.
- Doctor updates and context – Allow doctors to manually update their fees and provide wait-time windows to ensure doctors can provide real time updates to inform patients rather than relying on the Services Australia data alone.

- Integration with general practice software – Partner with GP software vendors so that, at the point of referral, clinicians and patients can view local specialists and typical fees, filter by distance and sub-specialty, and include MCF links on referrals. PHA also supports the government’s proposals for un-named referrals and to facilitate second opinions (outside the scope of this Bill).
- Provide clear guidance on patients’ rights and obligations, including rules relating to unlawful booking/administration fees and proper disclosures to Services Australia. This should include avenues open to patients to lodge complaints if they are charged more than the information published on MCF.
- Compliance and consumer protections – Align MCF with strengthened informed financial consent standards and enforcement against surprise billing or hidden fees. Clear informed-cost prompts at booking stages will reduce disputes and administrative burden.

## Interaction with referral pathways and other reforms

The Department’s consultation on modernising referral pathways aims to improve choice and transparency. MCF is the data backbone of this necessary reform. However, it is not sufficient. PHA notes the government is already considering changes to referral pathways, and other reform directions such as My Health Record sharing will also improve healthcare for millions of Australians.

MCF will also be an important driver of cultural change across the medical profession, helping to normalise discussions between clinicians and patients about costs, thereby strengthening informed financial consent.

## Economic and system impacts

Transparent fees are pro-consumer and pro-competition. By reducing information asymmetry, MCF will encourage price competition, help patients shop around and place downward pressure on excessive fees, contributing to lower health inflation and supporting private health insurance participation.

As already highlighted, Mandala’s analysis indicates that, without intervention, consumers could face around \$1.7 billion in annual out-of-pocket costs for specialist care by 2030. Improving transparency is one of the most cost-effective levers to mitigate that trajectory, while supporting access and equity – especially in regional Australia when combined with targeted supply reforms.

## Regulating the premium round

This Bill will also require insurers to apply to seek the Minister’s approval of the premium for every new product against a public interest test. This closes an existing loophole where premiums are regulated in some instances but not others.

There are many reasons products close and are relaunched. It’s important to realise that not all of these impact consumers negatively. Most product relaunches occur as a result of health funds

responding to competition by adding value or decreasing the price in a competitive market. It is, therefore, important that the Rules under the proposed legislation do not inadvertently disincentivise product changes that advantage consumers.

Aside from the effect on competition and innovation highlighted above, PHA is concerned about the administrative burden this will place on health funds and the Department due to the substantial increase in assessments this will cause. Increasing administrative burden generally disadvantages smaller health funds, curtailing innovation across the sector.

PHA is confident the estimates of administrative burden in the Regulatory Impact Statement for the Bill are too low, both for health funds (and therefore consumers) and for the Department. We are working closely with the Department on the proposed Rules behind the amendments to the Act to ensure this administrative burden is as low as possible.

Further, the Bill does not address the root cause of the problem – the classification system for private health insurance introduced by the previous government. Under this system, claims risk is concentrated in Gold products so their cost is locked into an upward spiral; the more people downgrade to lower tiers, the faster this occurs. Cost-of-living pressures are further accelerating this process as the costs of Gold products increases at a markedly higher rate than Basic, Bronze and Silver policies. This means some Gold products quickly become loss-making and need to be repriced. We will continue to work with government to reform these policy settings to better protect consumers' interests.

## Recommendations

PHA asks the Committee to recommend to the Senate the Bill be passed without amendment.

Further, PHA would welcome the Senate Committee recommending to the Government:

- integrating MCF with referral workflows, enabling GPs to view local specialists and typical fees at the point of referral,
- progress un-named referrals from GPs to other medical specialists, with referral templates including prompts for consumers on their rights to informed financial consent, and
- further strengthen informed financial consent and transparency standards in parallel with this legislation to reduce bill shock and hidden fees, supported by targeted compliance activity.

## Conclusion

The Bill is a necessary reform that will materially improve choice and transparency for consumers. Publishing actual specialist fees through MCF – and integrating those data into routine referral and booking workflows – will reduce missed care, improve patient agency and strengthen the sustainability of Australia's mixed health system. PHA recommends the Bill be passed without amendment.

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