

# Media Release

6 June 2024



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

## Exorbitant out of pocket costs charged to ACT consumers need urgent investigation

The Australian Government must urgently investigate why ACT residents are paying at least 50 percent more in out of pocket costs than consumers living in other parts of the country.

The exorbitant medical fees being charged to ACT residents seeking care in the private sector were highlighted in Senate Estimates today.

Private Healthcare Australia (PHA) CEO Dr Rachel David said, “There’s no justification for ACT residents with private health insurance to be paying thousands of dollars more in out of pocket costs than residents living a short drive across the border.

PHA data shows the typical out of pocket cost for private patients undergoing a knee replacement in the ACT is \$4,508 compared with \$2,005 in NSW and \$400 in SA. The typical out of pocket cost for a hip replacement in the ACT is \$4,093 compared with \$2,547 in NSW and \$400 in SA.

“The fact out of pocket costs for common procedures such as hip and knee replacements are so high in the ACT, suggests doctors’ fees could be linked to perceived capacity to pay, and an artificially constrained supply of doctors. With families in all State and Territories struggling to manage cost of living, any hint of price gouging must be thoroughly investigated and shut down.”

[PHA data](#) shows out of pocket costs for common procedures in private hospitals have increased up to 300% over the last five years.

“It’s simply not possible for health funds to continually chase rising out of pocket costs without contributing to hyperinflation in health, which leads to higher premiums,” Dr David said.

“With cost of living hurting and medical out of pocket fees spiralling, it’s time for the Government to intervene and publish doctors’ fees on the Medical Cost Finder website.

“In Senate Estimates today it also was revealed that only 20 doctors had listed their fees on the Medical Cost Finder website, which cost taxpayers \$24.2m to set up. As ACT Senator David Pocock pointed out - that’s \$1m per doctor!”

“Consumers should be able to check what doctors are charging and shop around, even if it means crossing state borders. Paying more for treatment doesn’t guarantee a better outcome.”

“We need to do everything possible to protect consumers with private health insurance from bill shock. This will keep our private sector strong and keep pressure off the public system.”

*Private Healthcare Australia is the peak representative body for Australia’s private health insurance industry. PHA represents 22 Australian health funds. 14.8 million Australians (55% of the population) have private health insurance.*

Media contact: Jen Eddy  
M: 0439 240 755

Private Healthcare Australia  
Suite 7, Level 36  
1 Farrer Place  
SYDNEY NSW 2000

T: (+61) 2 6202 1000  
E: [admin@pha.org.au](mailto:admin@pha.org.au)  
[www.privatehealthcareaustralia.org.au](http://www.privatehealthcareaustralia.org.au)  
X: @PHA\_Healthcare