

Media Release

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Private Healthcare Australia
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Health funds call for urgent action to crack down on inflated specialist doctor fees

Too many Australians are being hit with unexpected medical bills and excessive fees from specialist doctors who are sometimes charging more than \$950 for a single appointment.

A new survey of more than 5000 people by Patients Australia and Latrobe University has revealed one in five Australians are not attending appointments with specialist doctors such as psychiatrists, cardiologists and surgeons due to concerns about the cost.

Under Australian law, health insurers are not allowed to cover these appointments if they don't occur during a hospital admission, and doctors can charge whatever they think people in their community can afford.

Dr Rachel David, CEO of Private Healthcare Australia, the peak body for the health insurance sector, said while most specialist doctors charge appropriately and fairly, there is increasing evidence that more are charging very high fees and billing inappropriately. Some are taking deliberate steps to avoid billing through Medicare and private health insurance channels so they can get away with charging patients additional 'hidden' fees.

"We have heard reports of people being charged more than \$950 for a single visit to a psychiatrist and more than \$650 for a single visit to an obstetrician. This is understandably putting people off seeing specialist doctors when they need to, and it's clearly putting untold numbers of people at risk of worsening health and crises that land them in hospital," she said.

"It's also wreaking havoc for private hospitals because people need to be able to see a specialist doctor to get referred into a private hospital for treatment. With 20% of people referred to a specialist doctor skipping attendance or declining treatment due to the cost, it is no wonder some private hospitals are struggling, and private hospital beds are sitting empty.

"We must get specialist doctors charging more reasonable fees if we want to address this unbalanced use of our hospital resources."

Health funds and their members want the Federal Government to step in with a range of measures including an opt-out system for the [Medical Cost Finder](#) website, so all specialist doctors' fees are disclosed to consumers to view before they book a consultation.

Australia also needs tougher laws to protect consumers from surprise billing for healthcare services. Common examples of surprise billing in Australia's private system include anaesthetists sending quotes to patients in the days leading up their surgery, causing them to worry their procedure will be cancelled if they don't agree to pay, and unexpected bills from doctors such as assistant surgeons after surgery. These undisclosed fees can be thousands of dollars. There are also reports of patients being advised of extra fees and charges by text message, which is not informed financial consent and is completely unacceptable.

Private Healthcare Australia is the peak representative body for Australia's private health insurance industry. PHA represents 22 Australian health funds. Over 15 million Australians (55% of the population) have private health insurance.

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“There was bipartisan political support for the ‘No Surprises Act’ in the US, so consumers can confidently proceed with healthcare knowing they won’t get a financial shock at the end. If people do not receive a proper quote for out-of-pocket costs well in advance of planned surgery, or if financial consent is not provided or provided under duress, they should not be obliged to pay,” Dr David said.

Fifty-five per cent of Australians (15 million people) are paying for private health insurance. These people are contributing to their own healthcare and taking pressure off our stressed public hospital system. They should be guaranteed protection from unanticipated medical costs.

The Patients Association survey also found 60% of patients treated in private hospitals faced an out-of-pocket fee, with 70% being hit with one more than \$500. The rate of out-of-pocket fees is much higher than the Government’s reporting, suggesting a lack of transparent billing.

“We are very concerned about reports of doctors splitting up bills with separate ‘booking fees’ and ‘admin charges’. This means one bill is seen by the Government and the health insurer and the patient receives another bill that no one has oversight of,” said Dr David.

“Australia relies on the private system to perform two thirds of planned surgery, around one in four births, and most hospital stays for mental health treatment. If people are being stung with unknown fees to access this system, and an increasing number are being priced out of it, we must get it under control.”

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