

# Media Release

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Private Healthcare Australia  
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## Price gouging doctors should be named and shamed

All specialist doctors' fees should be published on the Government's Medical Cost Finder website so consumers know who is charging egregiously, the peak body for health funds says.

The Inquiry into Price Gouging and Unfair Pricing Practices report released today by Professor Allan Fels calls for more measures to crack down on egregious billing by medical specialists who can currently charge whatever they like. The report notes that out-of-pocket fees charged by specialists, such as surgeons and cardiologists, increased by more than 50% in real terms from 2012 - 2022.

This confirms Private Healthcare Australia data released last week which shows out-of-pocket costs for common procedures in private hospitals increased up to 300% over the last five years, well above inflation. Patients have also shared stories of paying up to [\\$23,000 out-of-pocket](#) for some operations, and as much as [\\$800 for a surgeon](#) to review them after their operation.

The Fels report says "some of the highest price increases occur in sectors which are characterised by having disproportionate market power, a level of power over their consumers...". PHA CEO Dr Rachel David said this was especially relevant in healthcare.

"When people receive a serious clinical diagnosis, they are at their most vulnerable. There is a massive information asymmetry between a medical specialist and the average consumer, which can easily be exploited," she said.

"This is precisely the time patients need access to accurate information about the costs they are facing as part of informed financial consent, preferably with an upfront quote for the services they will likely require. If we can quote for home and car repairs, there is no valid reason why this can't be done for medical procedures."

The Commonwealth's Medical Cost Finder website was designed under the previous Government to give consumers information about typical costs for more than 100 medical procedures, but to date it has failed to deliver.

The previous Government promised consumers would be able to check how much individual doctors charge, to give them choice. Unfortunately, price disclosure by doctors has been voluntary, and despite an extensive campaign, the vast majority of doctors have failed to sign up.

"It's time for the Government to intervene and publish doctors' fees. The Government has this data, they are just choosing not to publish it," said Dr David.

"Consumers and their GP can then make an informed choice about which specialist doctor to choose based on their skills, qualifications, and price."

In addition, consumers should be told that they can go to any specialist with their GP referral. They do not have to go to the doctor named on their referral if they would prefer someone else.

*Private Healthcare Australia is the peak representative body for Australia's private health insurance industry. PHA represents 21 Australian health funds. 14.7 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)  
Twitter: @PHA\_Healthcare

“Many consumers assume that paying more for treatment guarantees a better outcome. This is rarely the case. In Australia, where medical training is rigorous, most doctors with equivalent qualifications perform at the same level, and paying more does not mean you’re getting ‘the best’,” Dr David said.

PHA also wants the Government to enhance Consumer Law by implementing ‘surprise billing’ legislation. A ‘surprise billing law’ will protect consumers from unexpected bills for healthcare services. This would ensure Australian consumers are not held liable for any costs not disclosed up-front before their medical treatment, with civil and criminal penalties for breaches.

Further, the egregious practice of charging additional fees to bulk billed patients needs urgent investigation. The practice of bulk billing and charging a separate gap for the same service is both prohibited in legislation and illegal as tested in Australian courts<sup>1</sup>, yet it still takes place.

“In the current cost-of-living crisis, there is no justification for powerful vested interests to engage in price gouging. We must do everything we can to reduce inflated out-of-pocket costs associated with medical treatment and ensure Australians have the tools to make informed choices about their healthcare,” Dr David said.

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<sup>1</sup> *Dalima Pty Limited v Commonwealth of Australia Unreported, NSWSL, No 25304/87, 22 October 1987; Suman Sood v Regina [2006] NSWCCA 114.*

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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)  
Twitter: @PHA\_Healthcare