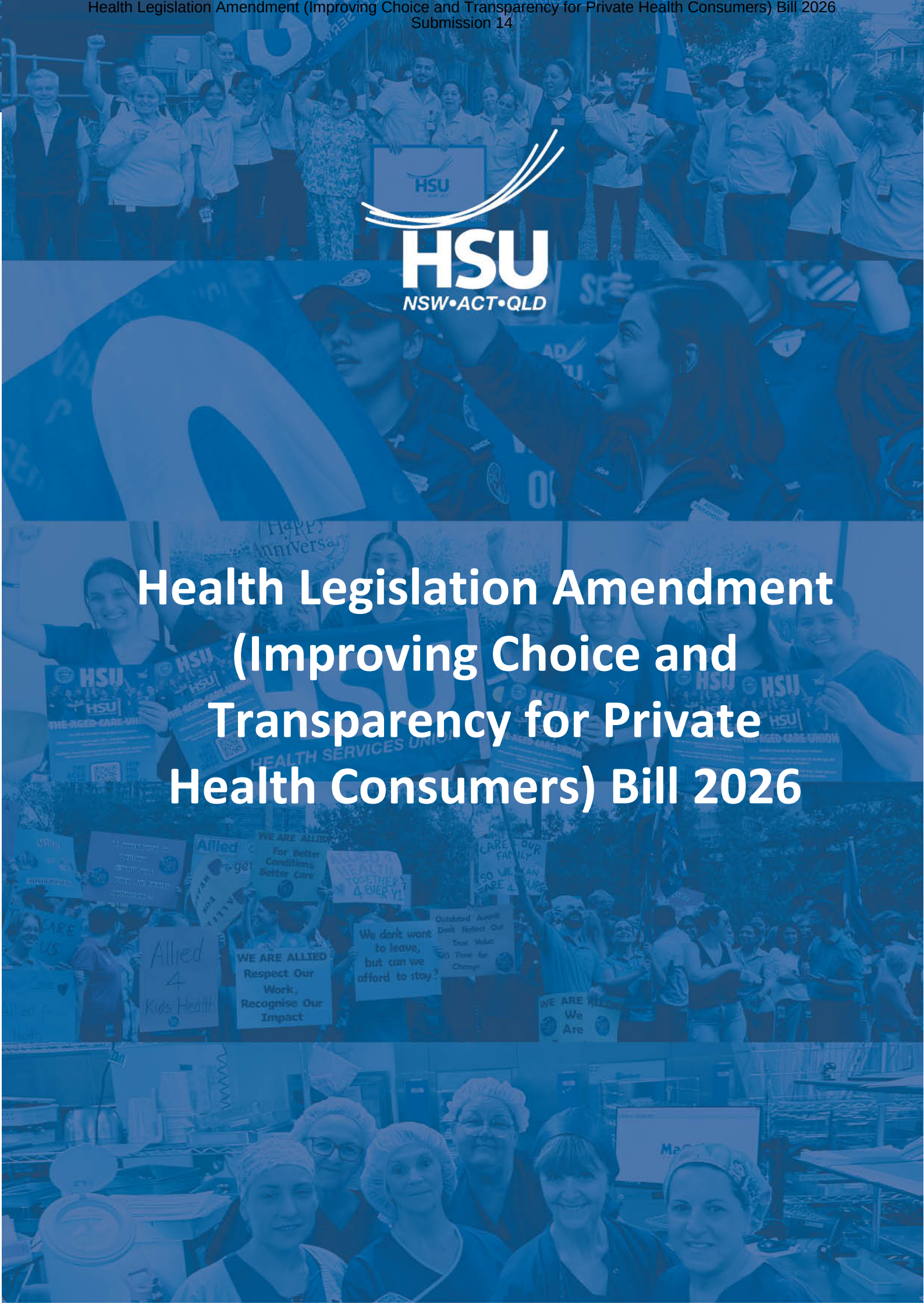


Health Legislation Amendment (Improving Choice and Transparency for Private Health Consumers) Bill 2026

The Health Services Union (HSU) NSW/ACT/QLD welcomes the opportunity to respond to the Health Legislation Amendment (Improving Choice and Transparency for Private Health Consumers) Bill 2026, which proposes long overdue reform to improve private cost transparency for consumers.

Our members work across public and private health, ambulance, Aboriginal health, aged care and disability services throughout NSW. They include pathologists, paramedics, aged care workers, mental health practitioners, physiotherapists, cooks, radiographers, cleaners, administrators, laundry staff, dental assistants, junior doctors, theatre technicians, ward clerks and many other specialised health occupations. Without this workforce, the health system does not function.

HSU members serve both metropolitan centres, and regional and remote communities. They are deeply invested in the communities they support and in the sustainability of the services they deliver. A core part of our mission is to champion healthcare that is equitable, affordable and accessible. We understand that timely and affordable healthcare directly affects the public health system, overall population health, workforce participation, and national productivity.

Our members have firsthand experience of the consequences of escalating health costs in both their personal and professional lives. Recent surveys of HSU members reveal that even moderate-income earners struggle to afford care within the very sector they work. Respondents report that both the NSW and federal health systems too often and too easily fail to provide affordable, effective healthcare, leading to adverse patient outcomes.

Survey responses were collected from four recent surveys of HSU NSW members, conducted using SurveyMonkey. The Housing and Affordability survey received 930 responses, the Healthcare Spending survey received 790 responses, Medicare Fraud and Non-Compliance and its Impact on Australia's Healthcare System survey received 110 responses and the targeted survey on the Sydney Children's Health Network Early Childhood Development received 57 responses.

Key Recommendations

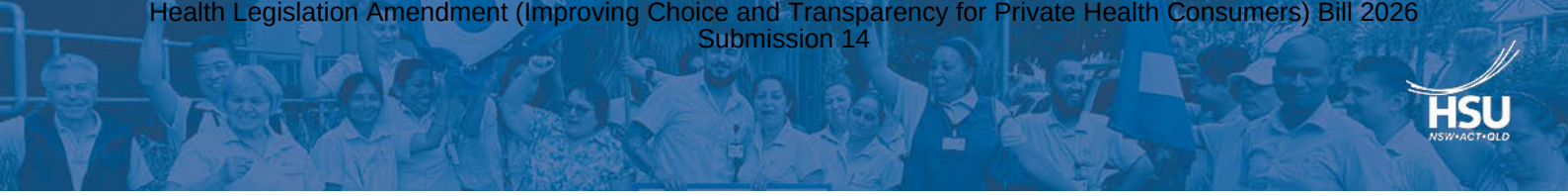
Pass the Proposed Legislative Changes
Legislate to remove the current voluntary nature of the Medical Costs Finder and enable the Department of Health, Disability and Ageing to collect, use and publish relevant billing data as a default requirement. This should apply to all medical practitioners, including specialists, general practitioners and other providers, to strengthen transparency and competitive pressure across the health system.

Ensure Strength and Integrity of Disclosed Data
Recognise that practitioners work across public and private settings with varying billing and practice arrangements. To prevent distortion or manipulation, require data to be reported at a high level of granularity, including by hospital, service setting, and percentage case mix of each service setting. Disclosure should include the distribution of fees across itemised services, and additional hidden charges regularly attached to their billing data such as assistant surgeon and anaesthetist fees.

Enable Consumer Input and Reporting
Introduce mechanisms for consumers to provide feedback where published fee information does not reflect their actual out of pocket costs. This should include the ability to report discrepancies or misleading information directly through the Medical Costs Finder

Make Open Referrals the Default
Require that general practitioner referrals to specialists are non-nominated by default, allowing patients to choose their provider. Referral forms should include a prompt and link to the Medical Costs Finder to support informed decision making.

Strengthen Oversight of Excessive Fees
Use data from the Medical Costs Finder to inform stronger regulatory oversight of specialist charging practices. This should include establishing an independent national body with enforcement powers to monitor fees, introduce appropriate caps where necessary, and apply penalties for excessive charging and overservicing, such as removing rebates for specialists who charge more than double the Medicare schedule fee



Introduction

Designed to provide universal healthcare, Australia's Medicare system aims to ensure that all citizens can access essential health services without financial hardship. Chronic conditions cause the vast bulk of illness in Australia, accounting for 85 per cent of the disease burden, and require specialist care. Almost half of all Australians live with at least one preventable chronic health condition.[1] People who develop chronic conditions are at higher risk of leaving the workforce and falling into poverty due to decreased income and high medical expenses. It is also the case that those with chronic conditions, who lose employment, find it harder to re-enter the workforce. This cyclical loop of poor health repeats itself at an exponential rate: poor health worsens socio-economic disadvantage, and disadvantage results in poorer health outcomes and higher rates of chronic disease.

The cost of specialist care in Australia continues to rise, with out-of-pocket expenses increasing sharply, often putting essential care beyond the reach of those who need it most. This leaves many, including people who must already forgo necessary treatments due to cost, without access to critical healthcare, widening the gap in health equity. Even health sector workers frequently do not qualify for concessional rates and face agonising choices, having to delay or skip vital treatments simply because they cannot afford to see a provider. In its current form, the system exacerbates the very inequalities it was intended to address, making it harder for vulnerable populations to obtain the care they need in a country that values fairness and equal opportunity.

HSU Member Insights on Cost of Living:

"I go without specialist appointments and have to decide between paying bills first or paying specialists first"

"I hold off buying medications and attending specialist appointments"

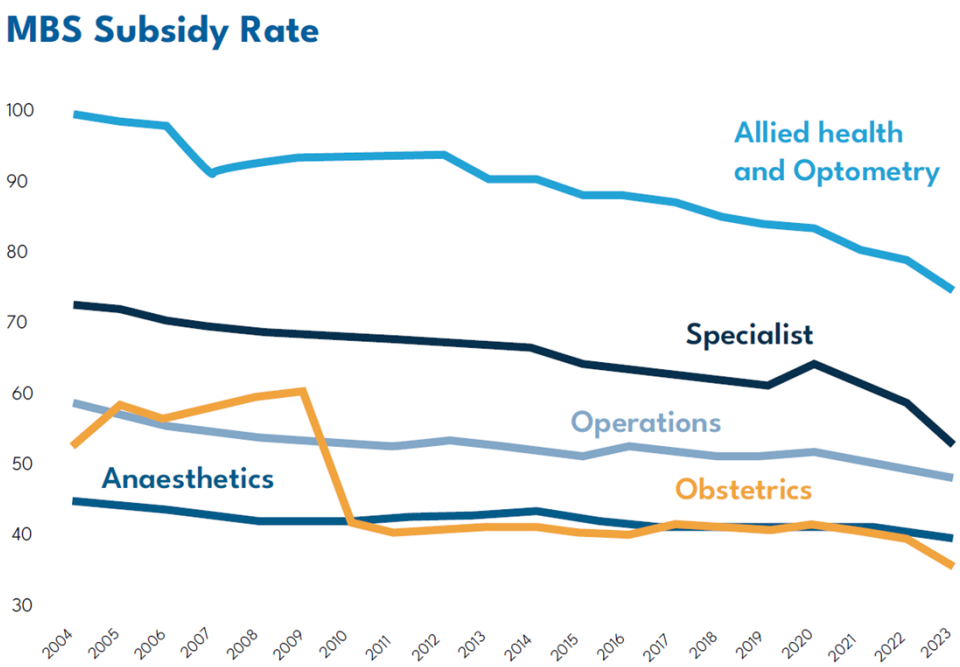
"I have to sacrifice medical appointments, particularly specialist appointments and treatment"

[1] Australian Bureau of Statistics, Health Conditions Prevalence (2022)

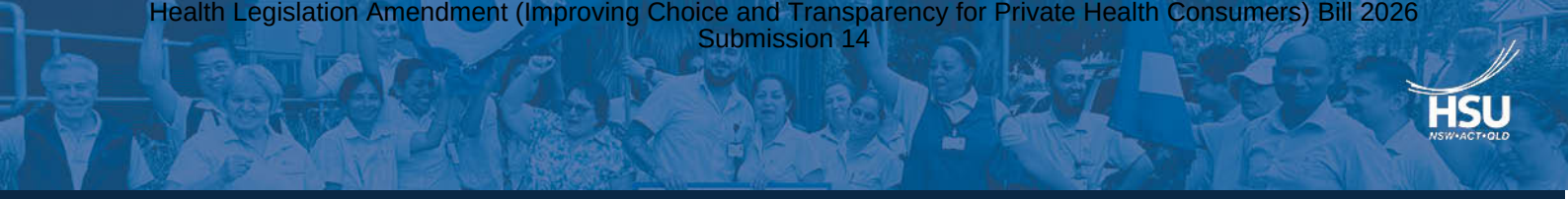
Affordability of Care

As healthcare costs climb, even moderate-income health sector workers are unable to meet their healthcare needs, leaving them below the thresholds required for OMSN and EMSN reimbursements. **Forty-four per cent of HSU members surveyed report being unable to afford essential medical care, including specialist services for themselves or their families.** This is well above the general population rate reported by the ABS and highlights a growing disadvantage for those without concessions.[2]

MBS data reinforces the issue. While GP and pathology subsidies remain high, subsidies for vital services such as specialist care (52%), allied health (73%), anaesthetics (39%), surgery (48%), and obstetrics (38%), have reached record lows. The decline has been most pronounced in specialist care, with subsidy rates dropping sharply since 2020. This trend is driving higher out of pocket costs and points to the need for decisive policy reform to restore affordability and access to care.[3]



[2] According to the Australian Bureau of Statistics, Patient Experiences Survey 2022-23 financial year, the proportion of people who delayed or did not use a health service due to cost was 10.5% (for medical specialist services), 7% (for GP services) & 3.2% (for hospital services).
[3] Data from Australian Institute of Health and Welfare, Medicare Benefits Scheme Funded Services Over Time shows that GP subsidy rate remained steady around 90% until falling since June 2022 to 84.6% in March 2023. Pathology subsidy rate has remained steady at 90-94%. Obstetrics subsidy rate has steadily declined, however rose by approximately 15 percentage points after the introduction of the EMSN, to then decline by approximately 20 percentage points after the introduction of the EMSN caps.



HEALTH SECTOR WORKERS STRUGGLING TO AFFORD CARE

"I am unable to afford to see specialists due to out-of-pocket expenses. I have chronic health conditions which require regular tests and visits to GP. My son and I suffer from Mental Health issues however cannot afford to continue long term care due to being out of my financial affordability" – HSU Member

"It is ridiculous the amount specialist charge or even doctors charge these days, this is why our ED's are overflowing with patients. **We need a better Medicare system and more doctors.**" – HSU Member

"I can access bulk-billing GP's, but I cannot afford axillary treatment (e.g. physiotherapy) or specialists (e.g. cardiologists). The cost of my ongoing dental/periodontal treatment **prevents me from seeking/paying for other health care** such as physiotherapy, psychology, gastroenterology." – HSU Member

"I have to go to hospital ED as I **cannot afford a GP.**" – HSU Member

"Private health is too expensive and seeing private specialist is also unaffordable (paying up to $500 for initial consult for <10mins unacceptable), cost of living is high and if I am in dire need of medical attention the nearest ED will do. I am **always grateful that I can present to an ED with my Medicare** for review with best care and not be charged." – HSU Member

"Medical care rebates are possible, but **mental health services are expensive and unsustainable** for the average worker to maintain at a level where best evidence dosage can be delivered." – HSU Member

"Have to source specialists in Sydney which already cost hundreds per appointment with minimal rebate. Plus being **rurally based the amount of travel and associated costs such as fuel and accommodation is huge.** IPTAAS is not worth it as can only claim after the fact which requires the person to have the money in the first place. It's not a very good rebate back which can also take over a month to receive." – HSU Member

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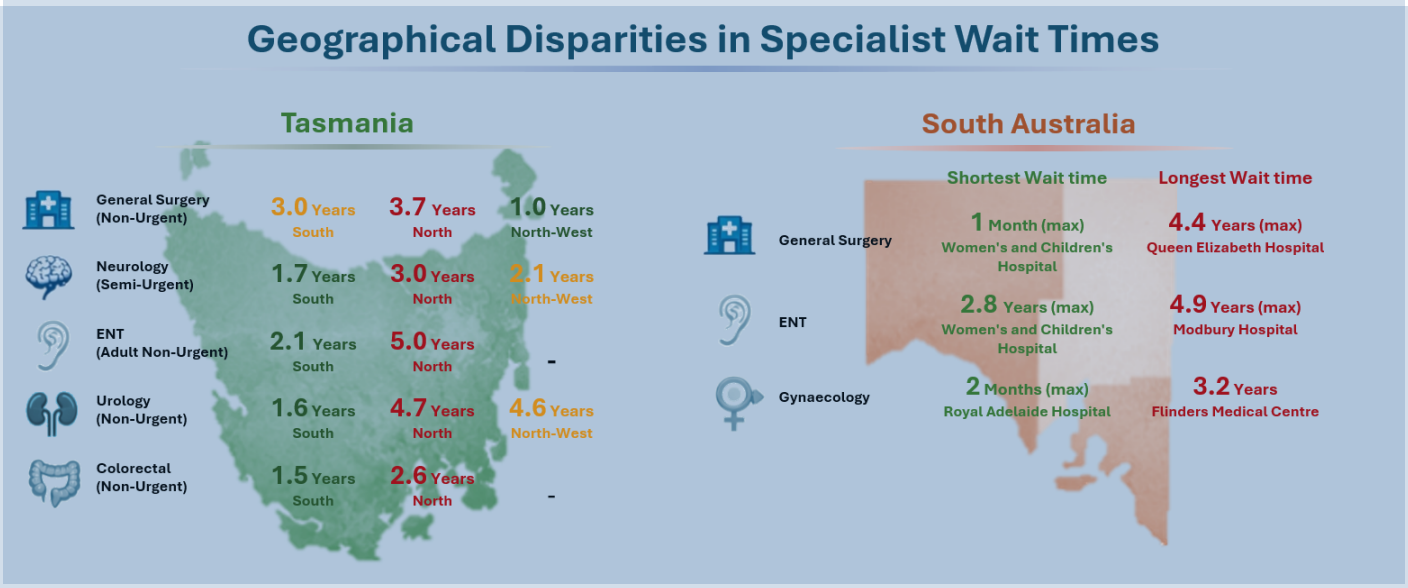
Access to Care

Public waitlist data reveals significant barriers to healthcare access across Australia, with delays of up to nearly five years for services such as ENT and urology, alongside marked variation between states.

Evidence from Tasmania and South Australia highlights these geographic disparities, with wait times for comparable services ranging from as little as one month to more than four years depending on location.[4,5]



A HSU survey of allied health professionals within a NSW specialty network found that **86% reported their departments were unable to meet current demand** for children and young people's services, while **81% indicated that resource constraints were placing patients' health and development at risk.**

Workforce shortages, particularly among specialists, are contributing to rising costs, as limited competition enables higher fees. While telehealth was intended to improve access, its benefits have largely flowed to those in major cities and higher income groups, with rural, remote and lower income Australians continuing to face significant barriers to care.[6]

[4] Tasmanian Department of Health Indicative Wait Times – Outpatients, 31 January 2026

[5] SA Health specialist Outpatient Clinics Waiting Time Report, Census date as at 30 Sep 2025

[6] According to the Australian Bureau of Statistics, Patient Experiences Survey 2022-23 financial year, people who were more likely to have a telehealth consultation were those living in areas of least socio-economic disadvantage than those living in areas of most disadvantage (29.3% compared to 24.9%) and those living in major cities than those living in outer regional, remote or very remote areas (28.3% compared to 23.4%).

Effects on Wider Health service

Health sector workers surveyed highlight that when primary care is unaffordable, hospital admissions increase due to missed opportunities for early intervention in chronic conditions. People with chronic conditions often face prohibitive healthcare costs, and many health sector workers report an increase in preventable admissions, especially among those who avoid necessary care or seek hospital treatment due to lower out-of-pocket costs. This trend is most pronounced in remote, and low-income areas, where low MBS service rates correlate with high hospital admission rates.[7]

Analysis of NSW Primary Health Network data for 2022–23 shows a clear inverse relationship between low-urgency emergency department use and access to primary care services, including GP visits, specialist care, allied health, and after-hours GP services. The strongest association is observed with access to specialist care.

Specialist Attendances	After -Hours GP	Allied Health	GP Attendances
Highly Significant negative correlation	**Significant** negative correlation	**Significant** negative correlation	**Significant** negative correlation
Correlation: -0.87 P-value: 0.0011	Correlation: -0.78 P-value: 0.0077	Correlation: -0.72 P-value: 0.019	Correlation: -0.69 P-value: 0.027

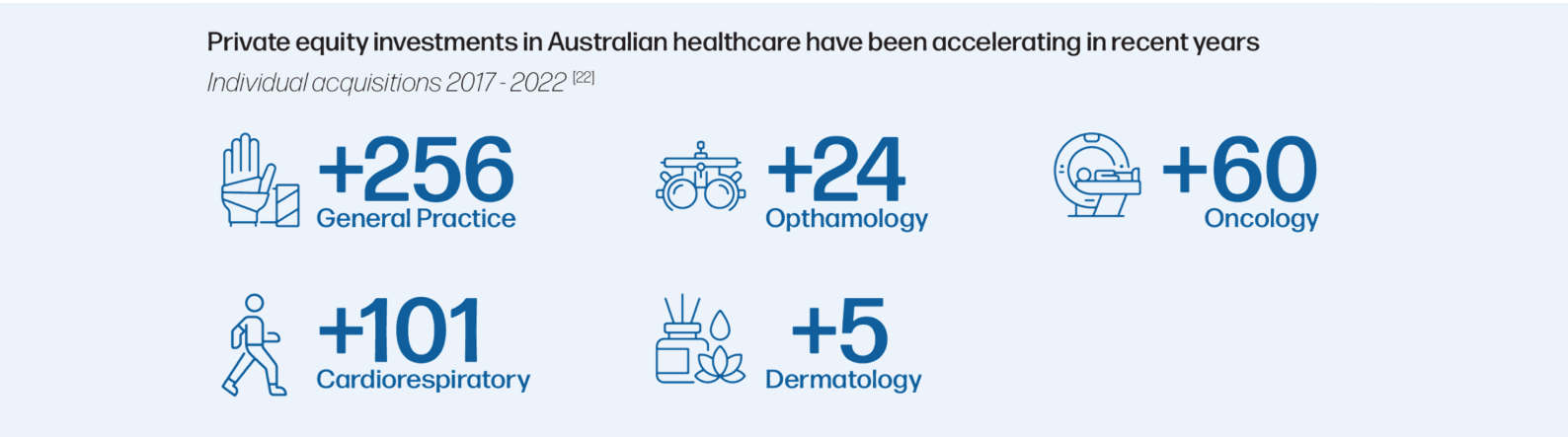
This indicates that where primary care, particularly specialist services, is underutilised relative to other Primary Health Networks, rates of avoidable emergency department presentations are higher, placing increased pressure on the public health system.

[7] 2022 MBS Service rates were 10.9 and 8.5 (per person) for remote and very remote compared to 18.3 and 18.0 (per person) for major cities and inner regional areas: Australian Institute of Health and Welfare, Medicare Benefits Scheme Funded Services Over Time. People living in outer regional, remote or very remote and those living in areas of most socio-economic disadvantage were more likely to use a hospital ED (19.6%)than those living in major cities (13.8%) or least socio-economic disadvantaged (13.7%): Australian Bureau of Statistics, Patient Experiences Survey 2022-23 financial year

Commercialisation of Primary Care

The increasing commercialisation of healthcare in Australia raises significant concerns, as a system driven by profit inherently risks inefficiency and exploitation.[8] A recent report in the Medical Journal of Australia highlights that rising private equity investment is likely to push up costs while compromising the standard of care, echoing trends observed in the United States.[9] Between 2017 and 2022, venture capital firms acquired 256 general practice clinics nationwide, a rapid expansion that shows no signs of slowing.[9] This growth of investor-owned healthcare not only threatens affordability and fair pricing structures but also undermines the principle of universal access, which has long been a cornerstone of the Australian healthcare system.

As commercial interests increasingly take over service delivery, patient outcomes risk being subordinated to financial returns, and healthcare costs are likely to rise unchecked. To counteract this, stronger market oversight and transparency in billing are urgently needed. Clearer reporting of fees strengthened oversight of excessive fees, and robust regulatory mechanisms can help ensure that cost increases are not driven solely by profit motives. By introducing penalties for excessive charging and overservicing and introducing competition safeguards, Australia can mitigate the risks posed by healthcare commercialisation while preserving equitable access and quality care.



[8] T. D. Webber, "What is wrong with Medicare?," Medical Journal of Australia, vol. 196, no. 1, 2012

[9] L. V. Berquist, "Private equity investment in health care delivery, Australia, 2008-2022," The Medical Journal of Australia, vol. 220, no. 7, pp. 368-371, 2024.

Conclusion

The Australian health system, once celebrated as a great equaliser, has increasingly shifted to favour those who can afford care, leaving many Australians navigating a system that puts profit ahead of people. The consequences are most stark for the very health workers who devote their lives to caring for others. Fully aware of the value of early intervention and preventive treatment, many are forced to delay or forgo care themselves because of prohibitive costs. This inequity is deeply personal for those tasked with protecting the health of others while struggling to safeguard their own.

Healthcare should never operate primarily as a profit-driven enterprise. Essential health needs must come first, yet the system has grown disjointed, inefficient, and increasingly overwhelming for both patients and the workforce. Without meaningful oversight, rising fees and fragmented services continue to exacerbate inequality and strain an already pressured system.

The HSU calls on policymakers to restore affordability and equity through stronger regulation, transparency in pricing, and greater accountability in the primary care sector. By curbing excessive costs, reducing wait times, and supporting system efficiency, we can ensure healthcare outcomes are determined by need, not income. Every Australian deserves access to the care they need without financial barriers.

PRODUCED BY: Dr Laura O'Connor & Dr Dustin Halse