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For older Australians

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Fee Transparency in Health Care: Examining Informed Financial Consent and Split Billing Practices

Thank you for the opportunity to provide feedback to the Australian Government's consultation paper on Fee Transparency in Health Care. We welcome the Government's commitment to strengthening consumer protections and improving trust in the health system.

Proactive fee transparency, particularly, Informed Financial Consent (IFC), is a fundamental and non-negotiable expectation, not an optional courtesy. All people considering planned treatment in Australia's public and/or private health care system should have the legally enforceable right to know the full cost of their respective planned episode of care well before treatment proceeds. As with clinical consent, no planned treatment should proceed without an individual's or, if incapacitated, their medical power of attorney's informed consent.

Fee transparency is a consumer right

From a consumer perspective, fee transparency needs to be seen as a fundamental and non-negotiable component of quality, person-centred health care. People cannot make genuinely informed health care decisions without understanding the financial impact.

There needs to be clear and enforceable legislated responsibility for health care providers, hospitals and insurers to proactively provide consumers with all known costs associated with their care, including any out-of-pocket expenses and foreseeable additional charges in a clear, accessible and understandable way.

Fee transparency, as a basic health care consumer right, needs to be enacted as a crucial component of a fair, ethical, accessible and accountable health system.

The case for stronger and more consistent arrangements

From a health care consumer perspective, there is an irrefutable case for more consistent and legally enforceable fee transparency arrangements across the health care system. To make informed decisions about their health care, consumers need access to accurate and complete information about costs.

Unexpected or partially disclosed health care expenses can result in significant financial hardship, undermine confidence in health care providers and adversely impact trust in the

broader health system. In some cases, concerns about cost uncertainty may lead individuals to delay or decline necessary treatment resulting in harmful health outcomes.

These risks are particularly acute for older Australians, many of whom live on fixed or limited incomes and must carefully balance health care expenses against other essential living costs. COTA Australia's State of the Older Nation 2025 survey found that cost has overtaken other barriers to become the leading reason older Australians struggle to access health and medical services, cited by 56 per cent of those affected, up from 48 per cent in 2023.[1] For these consumers, the inability to anticipate treatment costs can have serious financial and personal consequences.

Informed financial consent as a standard of care

IFC is a central element of high-quality health care and should be firmly embedded as a standard of professional practice.

IFC does not require health care providers to guarantee the final cost of care or predict unforeseen complications. Rather, it requires providers to give health care consumers their best itemised estimate of the likely costs of an episode of care, based on the information available at the time and contemporary clinical knowledge.

Health care consumers have the right to receive clear, timely and understandable information about the expected costs of their care, including any likely out-of-pocket expenses. IFC is more than providing a document that lists fees and charges. Recipients must also have meaningful opportunities to ask questions, seek clarification and have any concerns addressed before deciding whether to proceed with treatment.

Although IFC is well established in professional standards and supported by court decisions confirming doctors' obligations to provide transparent cost information before treatment, many Australians still experience unexpected health care costs and inadequate fee disclosure. This gap between expected practice and consumer experience highlights the need for stronger and more consistent implementation of IFC.

Split bills practices obfuscate informed decision making

Consumers are primarily concerned with understanding the total cost of their care. A consolidated pre-treatment bill facilitates health care consumers to make informed decisions.

For procedures involving multiple providers, a consolidated pre-treatment bill should be the standard. It should clearly set out total provider costs, all known practitioner fees, Medicare and private health insurance rebates, expected out-of-pocket costs, and any areas of financial uncertainty. Plus, where there are likely to be post episode of care costs, such as specialist consultations, pathology and allied health services which could involve additional short-term and/or ongoing costs, these should also be identified in the consolidate bill and the health care consumer encouraged to confirm fees directly with the respective provider.

[1] SEC Newgate Research, State of the Older Nation 2025 (COTA Australia, February 2026)

Any administrative costs associated with issuing a consolidated bill must be transparently disclosed and reflect actual administrative effort.

Regulatory approach for effectively strengthening informed financial consent

Of the options identified in the survey, we consider Option 3 would be the most effective for strengthening IFC. Health care consumers' right to IFC should be mandated, monitored and enforced through existing health complaints and professional regulatory mechanisms, with clear penalties for non-compliance. AHPRA and state and territory health complaints bodies are the most appropriate oversight agencies, given their existing responsibility for consumer rights, professional standards and practitioner conduct.

Education, guidance and voluntary compliance without legal reform is likely to be the least effective of the identified option. Existing professional codes, policy statements and legal obligations already require the provision of clear cost information before treatment, yet this remains inconsistent across the Australian health system, particularly for planned care.

Conclusion

Fee transparency should be embedded across Australia's health system as a fundamental consumer right, supported by clear legal obligations.

Strengthening fee transparency and IFC will improve consumer protection, reduce financial harm, support informed decision-making and enhance trust in the health system. This is particularly important for older Australians, who are more likely to require frequent, complex and ongoing health care, often involving multiple providers and services. Clear and timely information about costs assists older consumers plan for care, avoid unexpected out-of-pocket expenses, and make informed choices that support both their health and financial wellbeing.

The Australian Government has a significant opportunity to strengthen consumer protections and build a more transparent, fair and accountable health system by ensuring cost information is provided early, consistently and in a way that enables all consumers, particularly older Australians, to make genuinely informed decisions about their care and avoid financial harm.

COTA Australia would be pleased to discuss the importance of fee transparency and IFC to health care consumers further with the Department.

Yours sincerely

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