House of Representatives Standing Committee on Health, Aged Care and Disability Inquiry into Access and Affordability of Medical Specialists in Australia

Prepared **by**

COTA Australia

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About COTA Australia

COTA Australia is the peak body representing the almost nine million Australians over 50. For over 65 years our systemic advocacy has been improving the diverse lives of older people in policy areas such as health, retirement incomes, and more. Our broad agenda is focussed on tackling ageism, respecting diversity, and the empowerment of older people to live life to the full.

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Introduction

Access to specialist care is becoming increasingly unaffordable for many Australians, particularly older people with complex and/or chronic health conditions. COTA Australia's *State of the Older Nation Report 2025*[1] found that, among respondents who had trouble accessing health services, cost was the most reported barrier, followed by long waiting times. SOTON has tracked this issue since 2018 with cost rising as a barrier from 48% in 2023 to 56% in 2025, and long waiting lists now at their highest level.

These experiences are reflective of a broader national trend. Between 2019 and 2024, specialist consultation attendance fell by approximately 420,000 services, while out-of-pocket costs continued to rise.[2] The increase in specialist fees has significantly outpaced both inflation and growth in many household incomes, placing specialist care beyond the reach of an increasing number of people.[3, 4]

This submission supports the principle of universality that underpins Medicare and draws on the experiences of Australians aged 50 years and over to highlight how financial and other barriers limit access to clinically required specialist care. It also affirms a now widely held community expectation[5] that the Australian Government has a clear responsibility to improve the affordability of specialist care and strengthen transparency and consumer protections within this part of the health sector.

This response addresses two of the Committee's Terms of Reference: the affordability of specialist services (c), and the impact on older people and the health system when specialist care is delayed or forgone because of cost, distance and waiting times (d). It also responds to one element of Term of Reference (b), the transparency of referral pathways from the perspective of patients. These are the areas where older Australians' experiences can most directly inform the Committee's work.

Greater fee transparency will have no impact on existing access inequities without also addressing affordability of, and timely access to, specialist care.

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[1] COTA Australia and SEC Newgate Research, *State of the Older Nation 2025: A snapshot of the lives, attitudes and concerns of Australians aged 50 and above* (SOTON25), COTA Australia, March 2026. Available at: COTA Australia - Representing Older Australians

[2] Mandala (2026) Restoring access to specialist care. Access at: Restoring affordable access to specialist care in Australia

[3] Australian Government. Specialist Affordability: Options to address excessive charging consultation paper.

[4] Pulok, M.H. et al. 2022. The link between out-of-pocket costs and inequality in specialist care in Australia. Aust. Health Rev. 46(6), 652-659

[5] The perceived importance of the Australian Government reducing out of pocket costs for specialist and surgical care – 50 to 64 years **81% very important**, **15% somewhat important.** 65 years and over 7**8% very important, 20% somewhat important**. Redbridge (2025). *Experiences with medical specialist and surgeon fees*. Access at: Experiences with medical specialist and surgeon fees

Recommendations

Recommendation 1: Invest to strengthen access to public specialist care, Terms of Reference c) and d)

That the Australian Government work with state and territory governments, through the National Health Reform Agreement, to substantially increase investment in public specialist outpatient services to reduce waiting times and improve access for people who cannot afford private specialist care. This should be supported by the introduction, public reporting and regular ongoing monitoring of nationally consistent specialist outpatient waiting-time targets with a focus on people receiving a Commonwealth pension.

Recommendation 2: Strengthen fee transparency and informed financial consent, Term of Reference b)

That the Australian Government build on the Health Legislation Amendment (Improving Choice and Transparency for Private Health Consumers) Act 2026 and strengthen legislative and regulatory requirements to guarantee older people's right to clear, timely and comprehensible information about specialist fees before treatment.

This should include making eligibility to claim Medicare benefits conditional on specialists publicly disclosing consultation and service fees, and providing each patient with a written estimate before the first consultation of:

- the total anticipated cost of the episode of care, including diagnostics, procedures and follow up
- the applicable Medicare rebate
- the expected out-of-pocket cost to the person

Fee information, wherever possible, should be published in a consistent and accessible format across the 11 specialist disciplines included in the Medical Costs Finder.

Recommendation 3: Remove out of pocket costs for people on low incomes, Term of Reference c)

That the Australian Government introduce targeted incentives, similar to the bulk billing incentives available in general practice, so that people holding a pensioner concession card or health care card can access specialist outpatient consultations, diagnostics and treatment with no out-of-pocket costs. This would support more equitable access to specialist care regardless of an individual's financial circumstances.

Recommendation 4: Prioritise public access to publicly funded surgical capacity, Term of Reference c)

That the Australian Government work with state and territory governments to ensure publicly funded health inpatient infrastructure is used to expand affordable access to specialist care and reduce out-of-pocket costs for older people especially those experiencing chronic health issues.

Recommendation 5: Support continuity of care through digital health, Term of reference b)

That the Australian Government require the routine use of My Health Record by medical specialists to improve care coordination and communication across and between health settings and multidisciplinary care teams to enhance the continuity of care and ensure consumers have comprehensive access to their health information, while ensuring older people who choose not to use My Health Record receive the same standard of care.

Affordability of specialist services
Term of Reference c)

Cost is the primary barrier to accessing specialist care.

Australia's health system is founded on the principle that access to care should be determined by clinical need, not personal means. While recent reforms have improved the affordability of general practice and medicines, this principle is increasingly being undermined with respect to specialist care. This is well illustrated by a growing shared concern across government, consumer organisations, health peak bodies and academia that a person's capacity to pay now plays a significant role in determining whether, when, and how they access specialist services.

The findings from *SOTON 2025* evidence this concern. Almost all respondents (94%) had accessed health care in the previous 12 months, demonstrating the central role health services play in the lives of older Australians. However, nearly half reported some difficulty accessing the health and medical services they needed. Of this group, 56% cited cost and 55% cited long waiting lists as the most common barriers.

These barriers fall unevenly. Cost was most likely to be a barrier for older Australians of working age (62%), renters (65%) and those who had experienced a significant reduction or loss of income (67%). Long waiting lists were most likely to be a barrier for those living in regional areas (60%), pensioner concession card holders (60%) and those without private health insurance (61%). Older people who depend on the public system face the longest wait times, while cost is felt most by those on insecure or reduced incomes. Women (21%) were more likely than men (15%) to have been unable to access the health care they needed.

Older people in poverty were also far less likely than wealthy older people to report few difficulties accessing health care (52% compared with 72%).[6]

The affordability and access issues are particularly concerning in care areas, such as chronic health conditions, where frequent and ongoing specialist engagement is critical to maintaining health and preventing disease progression. For older Australians whose only source of income is the pension (currently, the maximum basic single rate is $1,100.30 per fortnight)[7] accessing timely specialist care is practically unaffordable.

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[6] SOTON (2025) found that 25% of older Australians were experiencing poverty (in line with the UNSW/ACOSS methodology). Only 28% of respondents were classified as wealthy (that is, with a household income of $200k or more and/or savings and investments of $500k or more).

[7] Services Australia, How much Age Pension you can get - Age Pension - Services Australia Australian Government

Increasingly for many Australians, paying to access specialist care has dire consequences for the household budget,[8] a situation that generally grows in magnitude if a person's health requires ongoing consultations and/or the involvement of several specialists.

As timely specialist care is now increasingly determined by financial means rather than clinical need, many older people are going without the medical care they need. This development represents a significant threat to the equity and universality values that underpin Medicare and contributes to a widening of existing health inequities.

The following experiences shared by older Australians are testimony to the impacts resulting from the unaffordability of specialist care:

> *Getting old is so very hard when you have several medical problems. If you do not have enough money to access good medical specialists and proper treatments it becomes too depressing and difficult to live with many conditions. (Female, 79-years, pensioner, homeowner, living with partner in a rural town).*

> *My GP has recommended that I see a specialist. However, not going to happen anytime soon. Why? Not within my budget no matter how I try to stretch it. Yes. My only option, the public forever waiting list. (Male, 81 years, pensioner, living alone and renting a unit in a regional town).*

Specialist fees are largely unregulated and highly variable

Unlike many other areas within our health system, specialist fees are largely determined by individual practitioners. As a result, out-of-pocket costs can vary substantially within the same specialty, as well as from one specialty to another. This applies to both inpatient and outpatient specialist care.

In 2023, average out-of-pocket costs for a single specialist private outpatient consultation reached $671 for psychiatry and around $350 across several other specialties, including cardiology, endocrinology, immunology, neurology and paediatrics. [9] The cost of care also varies markedly by location, creating a 'postcode lottery' in access to health care. For example, average specialist fees in the ACT were more than four times higher than those in

[8] Redbridge (2025) Experiences with medical specialist and surgeon fees. Access at: Experiences with medical specialist and surgeon fees

[9] Breadon, P., Geraghty, J., Jones, D., & Baldwin, E. (2025). *Special treatment: Improving Australians' access to specialist care*.P.46. Grattan Institute, Melbourne.

Tasmania ($605 compared with $144).[10] Out-of-pocket costs also track closely with the median income of local populations, which suggests that fees reflect what a *local market will bear* rather than the cost of providing care.[11] For older people on fixed incomes living in higher fee areas, this places specialist care further out of reach.

Although public hospital specialist outpatient clinics provide a lower-cost alternative, they deliver only around one-third of outpatient specialist consultations. [12] Demand significantly exceeds capacity, resulting in waiting periods that are often measured in years rather than weeks or months. Even for people who are triaged as urgent, the wait time for initial consultation is frequently months longer than clinically recommended timeframes.[13]

The consequence of this affordability barrier is that many Australians face a dilemma: pay increasingly unaffordable fees to access timely care or join lengthy public waiting lists and increase the probability of experiencing a significant decline in their health and wellbeing. For people managing chronic and complex conditions, where ongoing specialist oversight is often vital, this trade-off can have serious consequences.

Older people's experience of specialist fees

Australia's private inpatient-hospital specialist fees are some of the highest among OECD countries,[14] and nearly two thirds of outpatient specialist consultations take place in private clinics.

Even where individuals hold private health insurance, out-of-pocket costs can remain prohibitive. Consumers are not always provided with clear and comprehensive information about costs before treatment, particularly regarding follow-up consultations, diagnostic testing and other services required as part of ongoing care.

> *My health is so important. I sacrifice to keep private health cover for knee/hip operations, but the gap payments mean I have to put off any specialist visits (also a big gap payment) I don't consider operations that I cannot afford. (Female, 70 to 79 years, pensioner, homeowner, living in a capital city).*

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[10] Mandala (2026) Restoring access to specialist care. Access at: Restoring affordable access to specialist care in Australia

[11] Sabanovic. H, La Brooy. C, Méndez. SJ et, "*It's not a one operation fits all": A qualitative study exploring fee setting and participation in price transparency initiatives amongst medical specialists in the Australian private* healthcare sector, Social Science & Medicine, Volume 339,2023. Access at "It's not a one operation fits all": A qualitative study exploring fee setting and participation in price transparency initiatives amongst medical specialists in the Australian private healthcare sector

[12] Breadon, P., Geraghty, J., Jones, D., and Baldwin, E. (2025). *Specialist treatment: Improving Australians' access to specialist care.* Grattan Institute.

[13] Breadon, P., Geraghty, J., Jones, D., and Baldwin, E. (2025). *Specialist treatment: Improving Australians' access to specialist care.*P.12 Grattan Institute.

[14] Duckett, S. *Expanding the breadth of Medicare: learning from Australia* Health Econ. Pol. Law, 13 (3–4) (2018), pp. 344-368

> *I thought my private health insurance would cover most or all the cost of my operation and hospital stay. It was only for one night. How naïve of me. I didn't know how restrictive my coverage was. I was left with a hefty bill despite having private health insurance since I began working. (Male, 75 years, part pensioner, homeowner, living in a rural area)*

As with private inpatient services, older people are often faced with bill shock after an outpatient specialist consultation/s and/or diagnostic test. As older Australians have shared with us:

> *I had to ask my daughter to pay the specialist. When the receptionist told me how much I owed, I was dumbfounded, embarrassed and many other things all at once. I don't have savings; I live from week to week. Luckily my daughter, a single mum, was there to call on. (Female, 68 years, pensioner, renter, living in a capital city).*

The fallout from these cost pressures extends beyond financial hardship. The Grattan Institute estimates that 1.9 million Australians, postpone appointments, decline recommended investigations and treatments, or remain on lengthy public waiting lists because private specialist care is unaffordable.[15]

The following section provides more detail about why rising specialist fees and out-of-pocket costs have a disproportionate impact on older Australians, and why targeted policy attention is urgently needed to address this growing challenge.

Impact of delayed and forgone specialist care
Term of Reference d)

Older Australians need timely access to specialist care

Access to specialist care is not simply a healthcare issue; it is a matter of equity, wellbeing and healthy living. Older Australians are among the highest users of health services and have a greater clinical need for specialist care than many other population groups, due to the higher prevalence of chronic and complex health conditions in later life.[16, 17]

The AIHW data show that 80% of people aged 65 years and older have at least one chronic health condition, and 28% have 3 or more.[18] Effective management of these conditions generally depends on regular and ongoing outpatient specialist consultations. As a result, older people, more than other population cohorts, are highly exposed to the impact of specialist fees and out-of-pocket costs.

Evidence also shows that older people living on low to modest incomes are disproportionately affected by specialist out-of-pocket costs even though they may have the greatest healthcare needs due to the likelihood of living with chronic illness and disease.

SOTON 2025[19] highlights a strong relationship between poor health status and an older person's level of financial security. Plus, the Australian Bureau of Statistics data indicate that individuals with a long-term health condition were more likely to delay or forgo specialist consultations than those without such conditions (21.6% compared with 17.7%, with out-of-pocket costs identified as the primary reason.[20] This view is further supported by findings published by the Grattan Institute.[21]

Faced with high out-of-pocket costs, older people on low or fixed incomes are required to make difficult decisions about whether they can afford to consult a specialist. Central to this decision is likely to be the need to prioritise everyday living expenses, including housing, food, energy and transport costs, medicines, as well as other routine household expenses. As a result, specialist consultations are often delayed or forgone altogether, resulting in diagnoses and treatments which occur too late or are missed entirely.

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[16] AIHW. *Australians are living longer than ever before, with children born in 2023 expected to live into their 80s. However, just over one-tenth of their lives will be spent with ill health, and the burden of chronic conditions remains high. Around 6 in 10 Australians are estimated to live with a long-term health condition* (2024)…*Dementia has also emerged as a leading cause of death, accounting for 9.0% of all deaths in 2022* (AIHW 2024b). Overall, chronic conditions contributed to 90% of all deaths in *2022 (AIHW 2024a).* Accessible at: Australia's health 2024: data insights: The ongoing challenge of chronic conditions in Australia - Australian Institute of Health and Welfare

[17] Ibid. *An overwhelming majority of Australia's non-fatal burden of disease is due to chronic conditions*. … **A** large proportion of Australia's fatal burden of disease is due to chronic conditions.

[18] ibid

[19] SOTON 2025

[20] ABS More people putting off seeing health professionals due to cost Nov. 2023. Access at: More people putting off seeing health professionals due to cost | Australian Bureau of Statistics

[21] Breadon, P., Geraghty, J., Jones, D., and Baldwin, E. (2025). *Specialist treatment: Improving Australians' access to specialist care. Grattan Institute.*

> *I had to cancel the booking in March due to not having the money readily available. Now, I have saved enough to attend the consultation. Hopefully, the cost has not gone up and that's it. If there are any other visits needed, they will need to wait until I have enough money. This is a shocking way to plan one's health. One thing I am 100% more painfully aware of is that my back is so much more painful than when my GP told me I should see a specialist. (Female, late 70s, pensioner, homeowner, living in a regional town)*

For the older person the consequences can be significant. Delayed access to specialist assessment and treatment can lead to worsening health conditions, avoidable pain and suffering, reduced quality of life, loss of independence and, in some cases, premature death.

In relation to the broader health system, what may have begun as a delayed or deferred specialist consultation because of cost can escalate into a far more serious, complex and costly health event. This could include avoidable emergency department presentations, hospital admissions and increased demand for other health and aged care services. This results in mounting potentially avoidable costs on already stretched public health and aged care resources.[22] One older woman described the cost of waiting:

> *I am 67 years old and have been on a waiting list to see an Orthopaedic Surgeon for almost a year. I cannot afford having this operation in a private hospital. During this time, my mobility has deteriorated by approximately 75% and continues to decline. I have at least four close friends experiencing similar delays, which suggests this is not an isolated issue.*
>
> *While waiting, I have received significant support through various government-funded programs… I am genuinely grateful for this assistance, but the cumulative cost to the public system is substantial.*
>
> *The core issue is that my underlying medical problem could likely have been addressed for around $20,000 - had I been able to access specialist care promptly. This would have prevented the decline in my mobility and reduced the need for ongoing support services. When multiplied across the many Australians currently waiting for essential consultations, the potential savings to the Government are significant.*
>
> *Improving access to timely public specialist care would reduce long-term expenditure, improve quality of life for older Australians, and strengthen*

[22] Breadon, P., Geraghty, J., Jones, D., and Baldwin, E. (2025). *Specialist treatment: Improving Australians' access to specialist care. Grattan Institute.*

> *the sustainability of the health system overall. This is why I believe reforming the public system should be the priority. (Female, 67 years).*

Prevention and early intervention are widely recognised as the most effective and cost-efficient approaches to reducing the prevalence and impact of chronic diseases and delivering better value for the healthcare system.[23]

Without meaningful action to address rising specialist fees, financial barriers to care will continue to:

- undermine prevention and early intervention efforts
- exacerbate health inequities
- limit the effectiveness of broader health system reforms focused on chronic disease management, care coordination
- increase avoidable demand on emergency departments and hospital beds.

Although other factors, such as geographical location,[24] availability of transport, an individual's cultural background and health and/or digital literacy, can affect older Australians' access to specialist care, for a significant number of older people, affordability remains the overarching reason determining whether and when specialist care is accessed. For older people in regional areas, the cost of specialist care also includes travel, accommodation and, for those who cannot travel alone, an escort, often across repeated visits.

For older Australians living on fixed low to modest incomes and experiencing chronic and/or complex health conditions, specialist fees are no longer a modest contribution towards the cost of care. They have become a substantial barrier that can delay, limit, or prevent access to clinically necessary care and treatment. This is an issue that must be addressed by the Australian Government to promote health equity and support improved health outcomes, as well as to maintain a sustainable healthcare system.

[23] Chapter 5. Fufaa, GD. The Role of Preventive Health Care in Preventing Chronic Diseases. Article in Public Health, published September 2024. Access at: Prevention in Healthcare.pdf

[24] 61% of rural Australia are unable to obtain a specialist appointment within appropriate clinical timeframe Mandala (2026) Restoring access to specialist care. P.3. Access at: Restoring affordable access to specialist care in Australia

Transparency of referral pathways for patients
Term of Reference b)

Lack of transparency disenfranchises consumers

Fee transparency is fundamental to consumers being able to understand the cost of healthcare, as well as being able to compare providers and make informed decisions based on affordability and value. Yet in specialist healthcare, people are often expected to proceed with consultations, diagnostic testing and treatment without any clear understanding of the likely costs involved or how those costs compare across providers. Close to 44% of people are unaware of appointment costs and 36% lack clarity about the extent of their out-of-pocket costs.[25] This information is needed at the point of referral, when a person and their GP decide which specialist to see, not after an appointment has been booked. As one woman explained:

> *Using my private health insurance, I can only afford part of my treatment. Even if I were to go ahead with this, I would still have to find the money to pay for the out-of-pocket costs. These might not be 1000s of dollars but until I agree to the surgery I have no way of knowing. I talked to friends who have had a similar operation. Their accounts of the out-of-pocket costs are as vastly different as chalk and cheese. (Female, 86 years, pensioner, homeowner, living in a regional centre).*

COTA Australia welcomes the recent passage of the Health Legislation Amendment (Improving Choice and Transparency for Private Health Consumers) Bill 2026. It will allow the Government to publish the fees of individual specialists for common services and out-of-pocket costs.[26] This reform aims to increase transparency by ensuring that the pertinent medical practitioners' fees are publicly available on the Medical Costs Finder website.[27]

However, the current website's cost finder tool does not adequately reflect the reality of how specialist care is delivered. For many consumers, particularly older Australians, the cost of care extends far beyond a single specialist consultation and may include diagnostic testing, imaging, pathology, procedures, hospital services and ongoing follow-up care involving multiple providers. Unless the reformed platform captures these costs, it will

[25] Ibid.P19.
[26] Parliament of Australia Health Legislation Amendment (Improving Choice and Transparency for Private Health Consumers) Bill 2026. Access at: Health Legislation Amendment (Improving Choice and Transparency for Private Health Consumers) Bill 2026 – Parliament of Australia
[27] The Medical Costs Finder was introduced in December 2019 at a cost of $24 million. Due to participation being voluntary, it is reported that fewer than 100 of the eligible 11,000 specialists have voluntarily published their fees. Insurance Business. Access at: Australian government to require specialists to reveal fees for transparency | Insurance Business

continue to provide only a partial and often incomplete picture of the financial implications of treatment.

These shortcomings overly affect older Australians living with multiple chronic and complex health conditions especially if requiring ongoing care across numerous providers and settings. For this population group, understanding the likely cumulative cost of treatment is fundamental to informed decision-making.

Older people are entitled to clear, accurate and comparable information about the cost of their healthcare. Consumers should not be expected to contact multiple providers, piece together discrete pricing information from multiple sources and compile their own estimate of healthcare costs.

Fee transparency and provider comparability should be embedded across the healthcare system through clear regulatory requirements and strengthened consumer protections. Consumers should be able to access accurate, consistent and comparable pricing information before committing to treatment, regardless of where they live or which specialist or group of specialists they consult. This includes informed financial consent and a comprehensive written estimate of the expected total cost before treatment begins. Additionally, this information must also be available through non-digital channels, including through the referring GP, so that older people who are not online are not left behind.

To be useful, people need to know the Medical Costs Finder tool exists, and GPs need to be able to discuss it with patients at the point of referral.

Continuity of information across a referral pathway also matters. The routine use of My Health Record by specialists would support communication between GPs, specialists and other members of a person's care team, provided older people who choose not to use digital records receive the same standard of care.

Strengthening fee transparency and provider comparability processes represent important opportunities to improve consumer protection, support informed decision-making and promote more equitable access to specialist care. However, fee transparency is an enabler not the panacea. Transparency on its own does not address the central problem that specialist care is increasingly unaffordable and, in many cases, inaccessible within a clinically appropriate timeframe.

Conclusion

Older Australians have the right to timely specialist care based on clinical need, not capacity to pay or other personal circumstances.

Improving affordability and timely access to specialist care is imperative for the health and wellbeing of older Australians, as well as for the long-term sustainability and effectiveness of

Australia's healthcare system. The recommendations in this submission set out practical steps that the Australian Government can take to achieve this.