ANZCA
FPM

CEO
Australian and New Zealand
College of Anaesthetists

17 July 2026

Paul McBride
Assistant Secretary
Private Health Strategy Branch
Australian Government Department of Health, Disability and Ageing

Via email: OOPTransparency@health.gov.au

Dear Mr McBride,

Out-of-Pocket Costs 'Transparency by Default' Working Group Methodology presentation 3 July 2026 – ANZCA feedback

Thank you for the opportunity to provide feedback on the Out-of-Pocket Costs 'Transparency by Default' Working Group Methodology presentation and content discussed at the 3 July 2026 meeting.

ANZCA supports the policy objective of improving transparency for patients regarding medical costs and welcomes the department's efforts to develop a methodology that balances consumer information needs with patient privacy considerations. These are important aspects; however, it is vital that the Medical Costs Finder platform is designed not only around consumer information needs but also reflects specialists' perspectives, the realities of clinical practice and facilitates constructive discussions between patients and practitioners about treatment options and out-of-pocket costs. These perspectives are just as important for true system transparency.

From an anaesthesia, pain medicine and perioperative medicine perspective, ANZCA recommends several matters be carefully considered as the methodology is refined:

- We support the proposed use of **median charges and interquartile ranges** rather than averages, as these measures more accurately reflect typical patient experiences and reduce the influence of outliers. However, it does not appear to adjust for differences in patient complexity, service availability, after-hours work, or case mix, and may risk misleading consumers if presented without appropriate context.

  We believe this is likely to have unintended disadvantage for specialties or practitioners who routinely manage more complex patients or undertake more complex procedures. Thereby appearing to have higher fees than their peers, despite delivering comparable or greater value of care.

  The reporting framework should therefore incorporate appropriate complexity adjustment methodologies, potentially exclude atypical referral services, clear contextual information, and clinical governance and specialty input to ensure fair, meaningful and clinically appropriate comparisons. We recognise this may be difficult except in the broadest sense e.g. "if you have multiple or significant conditions that affect your health, this may impact the complexity and expense of your care."

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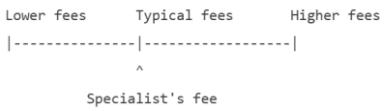
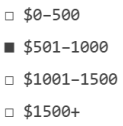
- Where information is presented at the level of a primary specialist, the presentation should clearly distinguish the fees and out-of-pocket costs attributable to that practitioner from those associated with other clinicians involved in a patient's care. As acknowledged in the presentation, anaesthetist, assistant surgeon, pathology, imaging and other practitioner costs are *separate* to the primary specialist. Any presentation of a **"total medical out-of-pocket" should therefore be prominently labelled** to avoid implying responsibility for costs incurred by all respective practitioners.
- We remain concerned that the reliance on Medicare-associated billing data may fail to capture non-schedule fees imposed on patients (such as advance 'booking fees'). Mechanisms need to be in place to identify this or for patients to report these if they occur. Therefore, we are concerned that **out-of-pocket cost data should be reported separately for each clinical specialty, including anaesthesia**, rather than being aggregated under another practitioner or procedural episode. Presenting costs in this way risks creating pressure to reduce anaesthesia fees in order to lower total patient costs, potentially undermining appropriate professional and clinical autonomy.
- As you would recall there was considerable concern regarding the **proposed traffic light system for specialist pricing** and the methodology used to categorise and group practitioners. ANZCA agrees that there is the risk that this approach could be perceived as a value judgement, with colour-coding potentially influencing patient choice by implying quality or desirability rather than conveying pricing information alone. When the price may be appropriate for the level, complexity or risk of the service (discussed above). ANZCA would support the following potential options:
    - A linear scale option with the respective specialist fee identified within that linear range.



    - Cost banding showing ranges rather than individual positions.



    - Or descriptive identification such as "Typical regional fee range is $800–$1,000. This specialist's median fee: $920 or This specialist's fee falls within the typical range for this region."
- We support robust privacy protections and note the importance of adequate suppression thresholds (where sufficient data exists to meet the privacy thresholds), aggregation methods and data quality controls, particularly for smaller specialties and regional locations where re-identification risks may be greater. Where a **specialist's data is suppressed**, the website should clearly explain that this is due to insufficient data rather than implying the specialist does not perform that procedure.

- From a true transparency and informed decision-making perspective, the Medical Costs Finder should **display the relevant Medicare rebate alongside specialist fees,** as discussed in the meeting**.** Providing this information would give consumers a clearer understanding of the full funding arrangement for their care, including both the amount charged by the specialist and the level of government support available through Medicare. It would also highlight the extent to which Medicare rebates have failed to keep pace with increases in practice costs over time, resulting in a growing gap between the rebate and the actual cost of providing specialist services and places specialist fees in their proper context.
- As also discussed in the meeting, the Medical Costs Finder should also point to information on relevant **public hospital wait times and service availability alongside private sector cost information**. For many patients, the choice between public and private care is influenced not only by cost, but also by the likely waiting period for consultation, procedure, or treatment and the availability of services in their region. Ideally, presenting publicly available waitlist and access data would provide important context for consumers considering their options, support more informed healthcare decisions, and help ensure that cost information is not viewed in isolation. It should be noted that this information may not be accurate, reflect the prelisting constraints or not routinely updated, in which case caution in its use is important.
- Robust data, information and methodologies are required however we see there is a key risk that too much cost information, too many data points, or overly complex pricing displays may reduce the **usefulness of Medical Costs Finder for consumers** rather than improve it. We suggest that information is presented progressively ("layered" information), with simple summaries first and detailed explanations available on demand to those that seek it.

ANZCA remains supportive of the overall direction of the work and would welcome ongoing engagement with the department to ensure that information presented through the Medical Costs Finder is accurate, clinically meaningful and supports informed consumer decision-making without creating unintended consequences for patients or practitioners.

Yours sincerely,

Dr Lance Emerson
Chief Executive Officer