

Medical Fees

Introduction

ReturnToWorkSA is seeking to gazette fees for medical, allied, mental health, and hospital services for 2026-27, effective 1 July 2026.

This paper describes the proposed changes and fee calculation methodology and forms part of the formal consultation process. Stakeholders are invited to provide written feedback during the formal consultation period, which will be for 5 weeks, commencing **Monday 23 February 2026**. ReturnToWorkSA will consider all feedback received before finalizing fees for 2026-27.

Please provide your feedback to providers@rtwsa.com by close of business Friday 27 March 2026.

Summary of Proposed Changes

	Indexation	Hourly rate
Medical 1A schedule (MBS items)	4.9%	N/A
Medical 1B & Permanent Impairment Assessment	4.9%	Specialist General Practitioners: \$330.90 Physicians/ Surgeons: \$648.50

Consultation

Stakeholders are invited to provide written submissions, with early submissions encouraged to support timely consideration. If time or resources are constrained, stakeholders are invited to contact ReturnToWorkSA early in the consultation period to discuss intended feedback.

When preparing a submission, stakeholders are asked to:

- Present representative views, and where possible, indicate the breadth of the issue (e.g. how many providers are impacted).
- Validate individual feedback through broader stakeholder input or supporting data, where practicable.
- Provide any data or references to external sources used in forming the submission.

Background

Legislative context

The Return to Work scheme is governed by The Return to Work Act 2014 (the Act). Section 33 of the Act sets out how workers are entitled to be compensated for the necessary costs of medical and related services that are reasonably incurred in the context of the work injury. This section also provides for the Minister to publish in the Government Gazette scales of charges (fee schedules) for medical and related expenses as recommended by ReturnToWorkSA and following a formal consultation process. Scales of charges must be based on the average charge to private patients for the relevant service and must not exceed the amount recommended by the relevant professional association.

In setting fees, ReturnToWorkSA must also consider the Objects of the Act, which include balancing of workers' and employers' interests with Scheme sustainability. Key considerations include:

- Ensuring timely access and choice of providers for workers.
- Supporting employers through stable premiums and minimal disruption to business operations.
- Maintaining an appropriate funding ratio, average premium rate, and maximising return to work rates.

Fee calculation methodology

ReturnToWorkSA utilises a variety of data sources to determine the average private charge for the relevant service. Fees are then adjusted relative to these benchmarks.

Medicare Benefits Schedule (MBS) data

ReturnToWorkSA obtains data from Medicare Australia to calculate the annual change in average private charge for the relevant service. This change is then used to determine the indexation percentage for medical, allied and mental health fees.

The Medicare data includes both the Medicare scheduled fee and the actual charge raised by providers across Australia for the service (i.e. the gap

charged in addition to the Medicare scheduled fee). This enables ReturnToWorkSA to calculate the actual charge for each service, compare year-to-year movements, and assess how ReturnToWorkSA fees compare to the private market.

A uniform percentage increase is then applied to the relevant professional category.

ReturnToWorkSA also considers:

- Data from private health insurers on their rebates (where publicly available).
- Public data from Commonwealth regulatory and health bodies.
- ReturnToWorkSA data on market dynamics, including provider participation and billing practices.

Fee review 2026-27

Detail of proposed fee changes

Medical Practitioner fees

Attendance items

ReturnToWorkSA has developed a new model for the pricing of Specialist General Practitioner and Specialist attendance rates that does not utilise AMA fees as the baseline from which annual adjustments are applied. The new model aims to better reflect market practices and the operational and legislative requirements of the Scheme by applying a standard loading and targeted modifiers that reflect market supply, service expectations, and scheme demands. ReturnToWorkSA continues to work closely with both the federal and state AMA branches regarding the new model to ensure that fees remain competitive relative to AMA rates.

The model:

- uses the MBS scheduled fee as the baseline.
- applies a competitive loading to ensure the base rate remains competitive in the private market.
- adds a targeted modifier loading informed by market and Scheme drivers.

For Specialist General Practitioners, a minimum 246% modifier has been applied to the MBS scheduled fee. For Specialist Practitioners (other than general practice) a minimum 232% modifier has been applied. These modifiers reflect market dynamics including demand and supply with the aim of maintaining supply and reducing disruption. This

approach provides for a clearer and more consistent approach to fee setting that incorporates the MBS scheduled fee into a competitive pricing model.

Under this new model for attendance fees, the majority of fees will increase (representing 98% of all services delivered within the Scheme in FY2025). Annual indexation will also be applied, as detailed below.

Annual indexation

Indexation of 4.9% is proposed for all attendances and other medical items across Medical 1A, Medical 1B and Permanent Impairment Assessment fees, reflecting to the change in average private charges for 2024-25. This will be applied equally across all fees rather than a weighted average approach as in prior years, ensuring a simpler, more transparent and equitable method of indexation.

Fee descriptors and service policies

ReturnToWorkSA may also review the fee descriptors and policies to ensure terminology is clear and accurate. Material changes will be communicated through the consultation process. An understanding of descriptors and service policies by service providers is material and important when delivering services to work injured patients.

Next steps

To enable fees to take effect from 1 July 2026, ReturnToWorkSA will:

- review and provide consolidated feedback to the ReturnToWorkSA Board, including any suggested changes based on stakeholder feedback and the impact of these changes to the Scheme;
- seek the approval of the ReturnToWorkSA Board and the Minister for Industrial Relations and Public Sector to publish medical, allied health, and public and private hospital fees in the South Australian Government Gazette to be effective 1 July 2026;
- provide a written response to feedback received following approval to gazette fees (late May/early June).

Further information

If you have any questions, please contact Elyse Lloyd, Regulatory Policy Analyst, Scheme Support on 8238 5757 or email providers@rtwsa.com.