



CHF

Australia's
Health Panel

RESULTS

Results of Australia's Health Panel survey on medical cost finding

May 2022

Consumers Health Forum of Australia (2022) *Results of
Australia's Health Panel survey on medical cost finding,*
Canberra, Australia

P: 02 6273 5444

E: info@chf.org.au

twitter.com/CHFofAustralia

facebook.com/CHFofAustralia

Office Address

7B/17 Napier Close
Deakin ACT 2600

Postal Address

PO Box 73
Deakin West ACT 2600

*Consumers Health Forum of Australia is funded by the
Australian Government as the peak healthcare consumer
organisation under the Health Peak and Advisory Bodies*

Contents

Introduction	4
Demographics	5
Experience with locating medical costs	6
Other cost finding experiences	7
Medical Costs Finder Tool experience	9
Conclusion.....	10

Introduction

I ask my doctor. Possibly post on forums, to ask other people who've had the procedures, but costs vary so much, it's not accurate, so not really relevant. I feel I'm reliant on my doctor being ethical and not overcharging, but some definitely do. There should be standard tables of costs for various procedures, so if a doctor is charging more, we know about it and can ask why.

– AHP Panellist

Before agreeing to buy or get something, generally people like to know how much it is going to cost. As the costs of living in general, and health care costs specifically, continue to increase faster than wages; it is unfortunately becoming more and more crucial for people to find out the costs of medical procedures before they commit to them.

However it isn't well established what Australians do (or don't do) in order to find out how much medical and health procedures cost. The Consumers Health Forum of Australia has been commissioned by the Department of Health to find out.

So for the Australia's Health Panel April 2022 survey we asked the panel how they would find out the costs of a medical or health procedure.

I have been able to ask my clinician (surgeon, anaesthetist, and alike) what they charge. As far as comparing with other like providers i have found you need to first have a consult before they will provide you with there fee's [sic]. This makes the ability to compare expensive and time consuming.

– AHP Panellist

Demographics

For this survey 131 panellists participated, of which 80% identified as female. A minority (11%) were aged 18-45, with most aged 46-65 (46%) or 66+ (43%). Panellists came from across every state and territory (see Figure 1) but lived in major cities of more than 250,000 people (72%). Panellists reported as being reasonably healthy, with only 13% reporting they were in poor health while 59% reported they were in good or excellent health. Additionally, 1% identified as Aboriginal or Torres Strait Islander, 7% as LGBTIQA+, 8% as culturally or linguistically diverse and 20% as a person with a disability.

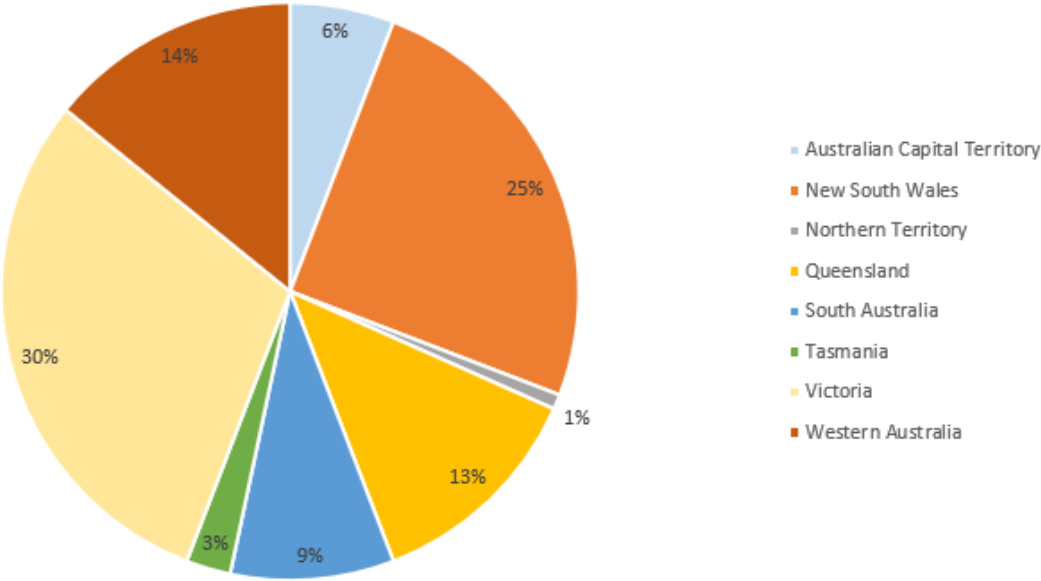


Figure 1- State of residence of participating panellists

Living on the edge of Sydney, or remotely, it's hard enough to get an OT [Occupational Therapist], let alone access a specialist. Business model wise, they all want to be, and need to be, where the most population is. This is quite understandable, but, as we all know, doesn't help those out of those major areas.

I know I'm preaching to the converted. When a dear friend is charged \$2000 out of pocket for an OT visit in Katoomba, I draw the line at acceptability. Sure, she knew the cost beforehand because she was health literate, but there were no alternatives.

- AHP Panellist

However sizeable minorities of panellists reported that they would utilise other avenues to determine medical costs, including:

- Asking their insurance provider (24%)
- Looking for it online (21%)
- Asking friends or family members (7%)

Which suggests that there is some demand from the public to determine or check medical costs via alternate pathways.

I try to get details of 'preferred providers' from my health fund so that I know I can get a better negotiated price than if I just turned up as a patient referred from my GP. If, as is common, your GP strongly urges you to go to a particular provider, you are trapped into an arrangement without knowing the cost. I no longer ask friends who have had a similar procedure about costs, as it does not tend to give me a reliable indicator of what it might cost me for my procedure.

– AHP Panellist

Other cost finding experiences

In addition to specifying the location medical costs would be looked for, other recurring themes that emerged from the open text responses around finding medical costs included:

- Costs varying from what was originally told when booking e.g. gap fee existing when initially told no gap, out-of-pocket cost increasing on the day compared to what was originally quoted.

I ask the surgeons office, my health insurance etc. However, the cost almost always varies. One surgeon stated he participated in the no gap scheme with my health insurance, this was clearly on his website too. He then charged a gap and recanted.

– AHP Panellist

- Specifically using or trying to use public system in an effort to cut down costs.

I seek public hospital [providers] for free costs. In private hospital I found I paid exorbitant insurance fees only to be charged again for hidden extras over and above the Medicare rebate. One surgical event I was required to pay \$10k on admittance with a final bill of \$28K after paying the health insurance over \$4K per annually for many years.

– AHP Panellist

- Confusion as to why the same procedure costs differently through different pathways e.g. radiology free via specialist but charged to consumer via GP

I am currently, ringing around radiologists to find a required MRI that will be bulk-billed. However, because the referral is from my GP and not a specialist I've been quoted anywhere from \$300-490 with a minimum under Medicare but not bulk-billed and one lab said none of it would be covered by Medicare! I'm expected to go and pay to see the neurologist, get a referral from him, then pay another specialist fee for the results, rather than have my GP who bulk-bills deal with an ongoing health issue until it changes and needs a specialist intervention.

– AHP Panellist

- Finding it difficult to get exact costs before booking in for the medical activity, making it hard to compare different providers.

I tend to ask the receptionist of when I am enquiring about an appointment or scheduling a procedure. My other approach is to email the provider asking for a quote. Often you can't get a quote until you have had an appointment with the doctor/provider which is a real problem. Often at the first appointment, as they usually start you down the track of scheduling dates for the procedure. It is a real trap.

– AHP Panellist

- A desire to ensure they receive top quality care e.g. safe, effective, though an acknowledgement that there a few measures they have to assess this beyond rapport with the health provider and cost.

It would depend on the procedure. If a surgery and am going through the private system, my first priority would be quality and safety usually based on GP and recommendations from other people in my network. If these rate highly and I have a good rapport with the surgeon and am happy with the discussion and surgical plan, I would not consider the cost as a huge part of my decision. I would be unlikely to get a second opinion based on the out of gap cost.

– AHP Panellist

Medical Costs Finder Tool experience

Only three panellists mentioned using the Australian Government's Medical Costs Finder Tool without prompting in this open text section, and even then it was not the first thing they would do. Strongly suggesting that the Tool is not something the general public would know about and/or think about using.

Clearly understand the procedure name both in medical and lay terms. Have MBS item number if available. If not using the public system ask for at least 2 referrals from GP. Check out information on Govt "Medical Cost Finder" for indicative costs/out-of-pockets. When undertaking visit to specialist ask for written quote for fees/out-of-pockets
– AHP Panellist

When asked directly about the Australian Government's official Medical Costs Finder Tool (www.health.gov.au/resources/apps-and-tools/medical-costs-finder), unfortunately only a small minority of consumers (12%) had heard about the Tool before and even fewer (6%) had used it. This shows that there is a significant awareness problem around the existence of the Tool, leading to low usage and consumers potentially pursuing or delaying healthcare based on inaccurate understandings of the costs.

While the numbers are too small to be statistically significant, it is notable that approximately half of the people who were aware of the Tool had then used it. This indicates that a large proportion of consumers are willing to use the tool when they know of its existence; but aren't overwhelmingly turning to it and instead pursuing other ways of getting the information.

Conclusion

In summary, this Australia's Health Panel survey found that when needing to find out the costs of a medical activity, they generally look to the "coal face" of the health system to find it- asking their health provider directly or other staff working at the health facility. However people are often unsatisfied with this method, finding it very difficult to get certainty of costs in advance or compare them with other options.

While the current Australian Government Medical Costs Finder Tool was overwhelmingly not known by consumers or front of mind as an option they could use; the issues identified with trying to get cost certainty from providers directly do indicate that the Tool or other service could serve a valuable purpose if properly developed and promoted to the public.

The results of this research will inform our advocacy and partnerships on health systems affordability, in particular with the Department of Health following the 2022 Federal Election.

The Consumers Health Forum of Australia would like to thank all panellists for giving up their time to participate in this survey. Any questions about this survey and its findings can be directed to info@chf.org.au.

It all depends on the complexity of the procedure. If simple then ask the doctor, either GP or specialist. Some specialists give you up front costs. However in more complex surgery it is almost impossible to find out e.g. where more than 1 surgeon is involved. You rely on the "agent" process, be that your GP or one of the surgeons involved.

Health funds and others suggest you shop around.... how laughable is that! The vast majority of people don't know the complexities of what they are having....very few would also know another surgeon who is of the correct speciality.

The whole area is fraught. Some countries cap what surgeons can charge as "out of pocket". People believe that the more they pay the better the surgeon! Also some surgeons "milk" that belief! When you are faced with a very serious problem, not elective, you are never in a right frame of mind to make alternative arrangements...you are at the mercy of your surgeons!

– AHP Panellist