

Consultation Paper on the Pricing Framework for Australian Public Hospital Services 2026–27

Independent Health and Aged Care Pricing Authority

Via email to submissions.ihacpa@ihacpa.gov.au

Submission by the **Australian Physiotherapy Association**

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Acknowledgement of Traditional Owners

The APA acknowledges the Traditional Custodians
of Country throughout Australia and their
connections to land, sea and community.
We pay our respect to their Elders past and present
and extend that respect to all Aboriginal and
Torres Strait Islander Peoples today.

About the Australian Physiotherapy Association

The Australian Physiotherapy Association's (APA) vision is that all Australians will have access to quality physiotherapy, when and where required, to optimise health and wellbeing, and that the community recognises the benefit of choosing physiotherapy. The APA is the peak body representing the interests of Australian physiotherapists and their patients. It is a national organisation with state and territory branches and specialty subgroups.

The APA represents more than 33,000 members. The APA corporate structure is one of a company limited by guarantee. The APA is governed by a Board of Directors elected by representatives of all stakeholder groups within the Association.

We are committed to professional excellence and career success for our members, which translates into better patient outcomes and improved health conditions for all Australians. Through our National Groups we offer advanced training and collegial support from physiotherapists working in similar areas.

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1. Executive Summary

Introduction

The Australian Physiotherapy Association (APA) is pleased to provide feedback to the *Consultation Paper on the Pricing Framework for Australian Public Hospital Services 2026–27* (Pricing Framework). The APA supports the work of the Independent Health and Aged Care Pricing Authority (IHACPA) and their essential role in ensuring transparent and fair pricing structures for hospital and aged care services.

Physiotherapists are integral to Australia's hospital system, where they assess and manage a wide variety of patients and clinical presentations. Operating across numerous specialties, they work in partnership with multidisciplinary teams to deliver coordinated care. Their involvement is key to improving patient outcomes and supporting efficient, safe hospital discharge.

The focus of this submission is on the Tier 2 Non-Admitted Service Classification. The APA believes amendments are required to this component of the Pricing Framework to align with contemporary service delivery to accurately identify and remunerate services provided by physiotherapists in our public hospital system.

APA position

Tier 2 Non-Admitted Service Classification

Australia's Tier 2 Non-Admitted Service Classification requires revision to better reflect the realities of modern healthcare delivery, particularly in relation to advanced practice physiotherapy. This area of physiotherapy is now an established component of care, with experienced clinicians managing complex presentations for patients who would traditionally be seen by medical specialists. Advanced practice physiotherapists utilise advanced diagnostic and clinical reasoning skills to deliver comprehensive care in non-admitted settings.

Despite the clear distinction in skill level and scope of practice, the current Tier 2 framework does not accommodate the specific nature of advanced practice physiotherapy. In contrast to nurse practitioners—who are recognised within 20 Series medical practitioner categories for their extended roles—there are no appropriate classification codes for advanced practice physiotherapists. As a result, the system fails to account for the additional labour and non-labour costs, complexity, and expertise involved in these services, creating a barrier to accurate reporting, adequate funding and actively discouraging the implementation of more effective and efficient service models.

Introducing a dedicated Tier 2 category for advanced practice physiotherapy would provide a more accurate representation of the service model and its resource requirements. Such recognition would not only support more appropriate funding allocations but also encourage the expansion of evidence-based, efficient service models that have proven benefits for patient outcomes and system efficiency. Properly valuing the contribution of advanced practice physiotherapists is essential to the continued evolution and sustainability of innovative care within hospital environments.

Conclusion

The APA thanks IHACPA for the opportunity to provide feedback into this submission. We hope to continue to work collaboratively with IHACPA to ensure accurate recording of physiotherapy services, including in advanced practice physiotherapy clinics, in our public hospitals.

2. APA's response to the consultation questions

Q3. Are there any other refinement areas IHACPA should consider for the Tier 2 Non-Admitted Services Classification for NEP26?

APA response:

The APA recommends that the Tier 2 Non-Admitted Service Classification definition manual is amended to include specific codes for advanced practice physiotherapy services that is weighted to reflect the higher level of autonomy and professional responsibility of these roles.

Refinements of the Tier 2 Non-Admitted Service Classification (Tier 2) definition manual are required to reflect the different roles of physiotherapists within Australia's public hospital system. In particular, a new funding tier is needed for advanced practice physiotherapy clinics.

Advanced practice physiotherapy is an established part of the Australian healthcare landscape. Physiotherapists working in these clinics are highly experienced clinicians who have undertaken additional qualifications, through postgraduate master's level award or equivalent, and credentialing.

Like nurse practitioners, physiotherapists in these roles are authorised to work autonomously in advanced clinical capacities. However, unlike nurse practitioners, they are unable to be classified under the relevant medical consultation services category (20 series). For example, the only Tier 2 codes available for advanced practice physiotherapists working in Orthopaedic Physiotherapy Screening Clinics are:

- Physiotherapy 40.09 PW = 0.31 \$200
- Orthopaedics 40.44 PW = 0.0309 \$200

These codes don't align with contemporary physiotherapy practice as they fail to differentiate between advanced practice physiotherapy and standard outpatient physiotherapy. Advanced practice physiotherapists are responsible for diagnostic assessments and management planning in lieu of a medical specialist. Given the complexity of patient presentations and the advanced responsibilities involved clinicians in these roles require extensive experience, post graduate education and role specific training. These roles incur both higher labour costs (advanced clinician remunerated at higher levels in award structures) and non-labour costs (initiating advanced investigations). General non admitted physiotherapy services are delivered by clinicians working within a narrower scope of practice and by base grade staff.

As the higher costs and complexity of advanced practice physiotherapy services aren't reflected in the Tier 2 definition manual, there is no incentive for health services to implement effective and innovative models of care. This is despite evidence that advanced practice physiotherapy models—where physiotherapists serve as frontline providers of non-admitted specialist services, in lieu of medical consultants—are safe, effective, and cost-efficient, while reducing pressure on medical specialist services.

To support the long-term viability of these advanced models of care, a distinct classification for advanced practice physiotherapy is needed. Hospitals implementing evidence-based, efficient services—such as advanced practice physiotherapy clinics—should be able to assign appropriately weighted Tier 2 codes, as is the case for nurse practitioners. Appropriate recognition of these services is essential to fostering innovation, improving access, and supporting the continued evolution of physiotherapy in public healthcare.

3. Advanced practice physiotherapy

About advanced practice physiotherapy

Advanced practice physiotherapy requires highly developed knowledge, skills, experience and clinical reasoning underpinned by a relevant post graduate master's level award or equivalent and additional role specific education and training. Usually embedded as first-line options for patient care, advanced practice physiotherapists operate with a high degree of autonomy and professional responsibility, providing non-admitted services for patients referred to, and who would otherwise be seen by, a medical consultant.

Together with advanced communication, collaboration, advocacy, professional leadership and scholarship characteristics, they work with a scope of practice that may fall within or outside the traditionally accepted scope of physiotherapy practice. They are accountable for assessment, diagnosis and management planning for patients presenting with complex, undifferentiated or undiagnosed conditions.

Advanced practice physiotherapy roles are designed to utilise the expertise of experienced physiotherapists who have undertaken additional post-registration education and training to improve timely access to health services and to deliver improved outcomes for people with a range of health conditions. Initially introduced to streamline management of those with musculoskeletal conditions— for example, in orthopaedic and neurosurgery screening clinics and in emergency departments— advanced practice roles are increasingly developing in other areas of practice.

Physiotherapists working in an advanced practice capacity act as a clinical and professional resource at a local and profession level, providing high level diagnosis, consultation and collaboration in a range of settings. These roles are usually recognised in the individual organisations as requiring specific organisational clinical governance arrangements due to role responsibilities, increased clinical risk and the requirement for specific education and training, competence assessment and/or credentialing.

Advanced practice physiotherapy range of practice¹

Advanced practice physiotherapists are embedded across health services in a range of established and developing areas of advanced practice in which patients would historically have been managed by medical officers, including but not limited to:

- Physiotherapy-led screening clinics for patients with musculoskeletal conditions referred to medical specialty services (e.g., orthopaedics, rheumatology, neurosurgery and other services)
- Primary contact emergency department physiotherapy-led services
- Post-surgical clinics (e.g., arthroplasty review services)
- Physiotherapy-led fracture clinics and osteoarthritis hip and knee services
- Physiotherapy-led pelvic health clinics
- Physiotherapy-led vestibular clinics

Advanced practice physiotherapists use high levels of clinical expertise and experience to assess and independently manage specific cohorts of patients in these areas, often with complex presentations. Collaboration with medical and other healthcare staff is initiated only when required. Although specific to the health service setting, roles may include responsibility for:

- Triage decisions
- Independent assessment and diagnosis of patients referred by general practitioners to specialist medical services
- Diagnostic work-up including referral and interpretation of specific diagnostic imaging and/or pathology tests
- Management pathway planning, including admissions to hospital and recommendations for non-surgical versus surgical management
- Interventions (e.g., management of simple fractures and joint dislocations in the emergency department and the prescription and administration of medicines for immediate patient management in the emergency department in some jurisdictions)
- Decision-making about requirements for escalation of care when more urgent medical care needs are identified
- Independent decision-making about discharge from specialty services and non-admitted care waiting lists.

Advanced practice physiotherapy models of care examples

Musculoskeletal Physiotherapy Screening Clinic and Multidisciplinary Service, Queensland Health

The Musculoskeletal Physiotherapy Screening Clinic (MPSC) and Multi-disciplinary Service (MDS) is an advanced practice physiotherapy-led service designed to improve timely access to specialist care for patients with non-urgent musculoskeletal conditions. The service operates in Specialist Outpatient (Non-Admitted) Services in 20 Hospitals statewide across Queensland. These services include:

- > Orthopaedics*
- > Neurosurgery[#]
- > Rheumatology[@]
- > Neurology[&]
- > Maxillo-Facial[%]

The MPSC model of care entails a high degree of autonomy and professional responsibility that differs from general physiotherapy services. Advanced practice physiotherapists are working in environments that may be uncertain, unpredictable and have significant clinical risk.

Rather than being seen by a medical specialist in non-admitted specialty services, suitable referrals are triaged to the MPSC. Advanced practice physiotherapists in these clinics are responsible for the episode of care which spans assessment (including referral for investigations), diagnosis, management pathway planning, case management and discharge of patients. It is also within their scope of practice to request X-rays independently as well as initiate pathology requests or advanced imaging such as magnetic resonance imaging (MRI) scans through agreed pathways.

In this service, Advanced practice physiotherapists are also responsible for providing clinical consultancy to a multidisciplinary team of allied health clinicians. In determining a management plan, MPSC clinicians may refer patients for non-surgical management to other health professions such as standard outpatient physiotherapy, psychology and dietetics. Where serious pathology is identified or consultation for surgical management is indicated, the advanced practice physiotherapist is responsible for determining the urgency of the clinical situation and escalating care accordingly.

This service has been extensively and comprehensively evaluated, underpinning its widespread adoption and expansion to operate at large scale across Queensland Health to assist in managing demand on Specialist Outpatient Services. It has been found to provide clinically effective^{2,3}, highly cost effective⁴ services which are safe and result in very low rates of re-presentation⁵ and which improve access to specialist care for people with musculoskeletal conditions referred to non-admitted services.

Pelvic Organ Prolapse Physiotherapy-led Pessary review clinic Women's and Children's Hospital (Sunshine), Western Health, Victoria

Collocated with outpatient gynaecology clinics, the Pelvic Organ Prolapse Physiotherapy Led (POPPY) Pessary Clinic is an advanced practice physiotherapy led service that aims to improve access to safe, timely, evidence-based pessary care for women who choose to manage pelvic floor conditions, such as pelvic organ prolapse and urinary incontinence, with a pessary.

The physiotherapists practising in this clinic have undertaken post graduate qualifications in continence and women's health as well as training with an internal credentialing package. As such, they are able to work to a higher scope of practice managing more complex cases that would otherwise be undertaken by a medical professional.

In this service, advanced practice physiotherapists manage pessary care which includes:

- > Subjective and objective examinations to assess pessary comfort and effectiveness

Bundaberg*, Cairns[#], Gold Coast[#], Hervey Bay/ Maryborough*, Ipswich[@], Logan[%], Mackay[#], Mater Adults Brisbane*, Mt Isa*, Nambour*, Princess Alexandra^{##}, Queensland Children's Hospital[@], Queens Elizabeth 11*, Royal Brisbane and Women's^{##}, Redcliffe*, Redlands*, Sunshine Coast^{@&}, Toowoomba[&] Townsville[#], The Prince Charles[&]

- > Identification of adverse events and subsequent management if indicated
- > Pessary sizing and fitting, removal, cleaning and re-fitting
- > Ordering of pathology and radiology
- > Clinical consultancy within the multidisciplinary team

The clinic has been found to be a safe and cost effective model for the management of pessary care with most patients able to be managed without medical escalation. No complaints were received by patients and all staff had confidence in the skills of the physiotherapists.

4. References

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