

# National Health Reform Agreement Addendum 2020-25

## Mid-term Review

Via email to [NHRARReviewSubmissions@health.gov.au](mailto:NHRARReviewSubmissions@health.gov.au)

Submission by  
**Australian Physiotherapy Association (APA)**  
May 2023

**Authorised by:**

Anja Nikolic, Chief Executive Officer  
Australian Physiotherapy Association  
Level 1, 1175 Toorak Rd  
Camberwell VIC 3124  
Phone: (03) 9092 0888  
Fax: (03) 9092 0899  
[www.australian.physio](http://www.australian.physio)

## Contents

<b>Overview</b>	<b>3</b>
<b>Reforming Australia's health system</b>	<b>3</b>
<b>National Health Reform Agreement Addendum</b>	<b>4</b>
<b>Recommendations</b>	<b>5</b>
<b>Reform to referral pathways</b>	<b>5</b>
<b>Publicly Funded Physiotherapy</b>	<b>8</b>
<b>About Australian Physiotherapy Association (APA)</b>	<b>10</b>

## Overview

The Australian Physiotherapy Association (APA) welcomes the opportunity to provide a submission to the mid-term review of the National Health Reform Agreement (NHRA) Addendum 2020-25 (the Addendum).

The NHRA has the stated objective in the Addendum of improving health outcomes, access, and innovation. The Addendum sets out the aims of improving health outcomes for all Australians and ensure Australia's health system is sustainable. The Addendum recognises the responsibility of the Commonwealth and States, and in particular ways to reform primary care. The APA supports the intention of the Addendum, in particular the focus on improving patient outcomes and reducing unnecessary hospital admissions. The current Government's investment in Urgent Care Clinics would, ideally, be a major initiative that would deliver on this intent. However, the APA is disappointed that physiotherapy and other allied health disciplines are not included in many Urgent Care Clinic tenders. The noticeable absence of references to how multidisciplinary care will reduce avoidable hospital admissions is of concern as we believe the uneven and disparate tendering will simply further fragment the system and exacerbate unequal access to healthcare.

The APA has made its views known to the Commonwealth Government and Department of Health. For a more detailed understanding of the APA's issues, see:

<https://australian.physio/advocacy/future-of-physio>

## Reforming Australia's health system

In brief, the APA wants to see multidisciplinary, integrated care models that include Ahpra-regulated physiotherapists working to their full scope of practice in both primary care and hospitals. If, as the Addendum states, the outcome is "to eliminate differences in health status of those groups currently experiencing poor health outcomes relative to the wider community [and] acknowledge that private providers and community organisations play a significant role in delivering health services to the community" then it is imperative all appropriately qualified health disciplines are engaged in delivering these reforms.

The APA also sees merit in both the RACGP's and AMA's submissions, which both note the need for greater support for general practice. As outlined below, patients in Australia face unduly costly and unnecessary time wastage due to the referral system that forces patients to see a GP simply to obtain a referral from another qualified practitioner. With declines in bulk-billing and increased waiting times to obtain a GP consultation, the APA urges the Commonwealth to initiate reforms that address these inequities and blockages.

The other major issue we ask to be considered is the use of physiotherapists to overcome fragmentation and uneven provision of health services in Australia. We see the rollout of Urgent Care Clinics and greater use of physiotherapists in hospital Emergency Departments as a practicable and

affordable solution. The Urgent Care Clinic model is designed to reduce unnecessary Emergency Department admissions, especially for non-life-threatening matters (triage category 4 and 5). Yet we know that many presentations to Emergency Departments are for musculoskeletal conditions such as back pain, wrist injuries (falls onto hands/wrists), ankle rolls and fractures, and general sport-related injuries. In fact, when announcing one UCC tender, Minister for Health, the Hon Mark Butler MP noted, “More than 41% of presentations to emergency departments ... are classified as semi- or non-urgent.” Many ED presentations could be seen and assessed by Apha-regulated physiotherapists who have diagnostic training.

The APA supports the reforms that the current Federal Government is undertaking, however the rollout of Urgent Care Clinics lacks consistency and is likely to increase fragmentation. As we understand it, some Clinics will have multidisciplinary teams, including a physiotherapist, but most will not. This means patients across Australia will have unequal access to healthcare for non-life-threatening conditions; an outcome at odds with the intent of the National Health Reform Agreement.

## National Health Reform Agreement Addendum

The Addendum, which runs to almost 100 pages, mentions allied health just once. The physiotherapy profession is not even mentioned, despite over 38,000 practitioners working:

- across settings in primary care, secondary care, tertiary care, and emergency, as well as in community care, and providing supports to Australians in Aged Care, the NDIS, Veterans’ Care, Aboriginal Community Controlled Health Organisations (ACCHOs);
- across the life span from pre-natal and paediatrics to palliative care and end of life;
- across the spectrum of health including from musculoskeletal to cancer, neurological, pelvic health, disability, cardiorespiratory, and to pain; and
- across a range of modalities such as re-education, exercise prescription, mobility training, prescription of mobility aids.

A better understanding of how physiotherapy integrates with general practice, specialists, and the hospital system is needed. We have experienced a decade or more of policy inaction, and along with COVID-19, the healthcare system is in crisis. The burnout and attrition from the pandemic drained our system of vital skills and expertise. We now need to adapt and change the way health services are delivered and funded. The APA recognises the work that has commenced on this vital work; however, our 30,000 members share a common concern that real reform in primary care and public hospitals is now more urgently needed than ever.

The recommendations outlined here are designed to support the NHRA by ensuring that all Australians have access to physiotherapy and can access the care they need in a timely and affordable manner. Health inequity is a longstanding challenge and one that certainly didn’t arrive with the pandemic. Yet, a worsening of inequality is now evident, and this is deeply embedded in our structural and health system failures. We need to move beyond traditional structures and conventional

primary care towards more connected care models that include allied health services such as physiotherapy.

## Recommendations

The physiotherapy workforce plays a critical role in primary care, public hospitals (where they are employed), and in prevention and rehabilitation, which are key to improving primary and community care. We want to see more integration of physiotherapists into primary and community care. Patients must have access to physiotherapists as part of a multidisciplinary team, specifically through Urgent Care Clinics in the community. Right now, the health system does not facilitate this essential care, with patients not funded to access physiotherapy services beyond current and very limited MBS chronic disease items.

Physiotherapy is essential care for the close to 7 million Australians who live with musculoskeletal (MSK) conditions. Far too many Australians are without access to prevention, early detection, and quality care. Investment in publicly funded physiotherapy will advance health, improve care and increase value.

The APA offers recommendations that would fulfil the aims and intent of the NHRA and the Addendum.

## Reform to referral pathways

Achieving the stated aims of the NHRA cannot be fully realised unless direct access pathways that allow specialist referral and diagnostic imaging for musculoskeletal conditions by physiotherapists is on the reform agenda. Our current system leaves people waiting too long for referrals, and the care they urgently need. There are two simple solutions to streamline the patient journey by leveraging physiotherapy in primary and community care. Both require change to the MBS: to allow physiotherapists to directly refer patients to orthopaedic surgeons within their scope of practice and to expand physiotherapists' medical imaging rights.

### Referral to orthopaedic surgeons

The current definition of referrals within the MBS does not allow for Medicare rebates for physiotherapists' referrals to orthopaedic surgeons. This can delay specialist treatment, it wastes the time of busy GPs, and costs the MBS millions of dollars. Physiotherapists often need to refer to a GP even when they have assessed that an orthopaedic surgeon is the most suitable health professional. The right for physiotherapists to refer to orthopaedic surgeons would improve the patient journey,

result in cost efficiencies, reduce GP visits by around 737,000 per year and ensure better use of the existing workforce.<sup>1</sup>

Australia's referral system to specialist care needs reform so that it aligns with patient needs. The most common complaint APA members report from their patients is their frustration at the run-around between health providers – being sent back to a GP just to get a referral that a physiotherapist should be able to provide. Physiotherapists are clinically trained in the diagnosis of musculoskeletal conditions. Ordering tests and making referrals are already within existing physiotherapist scope, but restrictive Medicare Benefits Schedule (MBS) rules limit their practice. Having a health system with such a significant barrier has a huge impact on patients. This structural barrier results in increased costs, time delays and potentially delayed access to essential care, along with pain and discomfort experienced while patients wait days, even weeks, for a bulk-billing GP appointment. These existing barriers must be removed to ensure value-based care —and better patient outcomes — at a lower cost to the health system.

The APA recognises the counter position that changing current policy allowing for direct referral of patient to specialist medical practitioners by physiotherapists bypasses the GP as 'gatekeeper' model and that using a GP to make the final call on whether a patient requires specialist medical practitioner care better ensures patient safety and avoids unnecessary treatment. However, the MBS rule already recognize referral rights to dentists, optometrists, participating midwives and participating nurse practitioners under specific circumstances. Physiotherapists are Ahpra-registered, highly trained and respected health professionals able to assess, diagnose and treat disease and disability. They are often first contact health practitioners for a range of health conditions, and their high level of education and skills allows for appropriate assessment and referral to specialist medical practitioners related to their clinical fields, such as sports physicians, orthopaedic surgeons, urologists, neurologists and paediatricians – please note that at this stage the APA is only calling for MBS-subsidised referrals to orthopaedic surgeons as a first step for reform.

Physiotherapists are educated through bachelor, masters or professional doctorate programs, and they are required by law to be registered nationally with Ahpra. Physiotherapists have the required clinical reasoning skills, knowledge of anatomy and biomechanical understanding of injury and disease to determine when a specialist referral is required to achieve best health outcomes for the patient. Allowing direct referral with rebate would allow physiotherapists to appropriately use their education and training in clinical skills and reasoning. Physiotherapists overwhelmingly refer patients to a GP, so the GP will write the specialist referral and the patient can receive a Medicare rebate. Not only do patients incur out-of-pocket costs at each step in the overall treatment process, but patients also experience a delay in care and treatment, which can have an overall negative health effect on patients. Patients may incur travel and other expenses, as well as time off from work or other commitments. In rural and regional Australia, delays in accessing a GP can be considerable.

We know that some patients do not have enough funds to cover multiple out-of-pocket costs. Delaying seeing the appropriate healthcare provider may have a detrimental impact on their health, and also see a loss of continuum of treatment and care.

---

<sup>1</sup> Comans T, Byrnes J, Boxall AM, Partel K. Physiotherapist referral to specialist medical practitioners. Centre for Applied Health Economics, Griffith University and the Deeble Institute. 2013.

By changing the current policy to allow physiotherapists to directly refer patients to orthopaedic surgeons with Medicare rebate, health policymakers will streamline patient care allowing for faster diagnosis by a specialist medical practitioner. This, in turn, will lead to improved patient outcomes, which could impact on work productivity and therefore flow to employers in a wider societal benefit.

The APA recommends amending the Medicare Benefits Schedule (Note GN.6.16 on Referral of patients to Specialists or Consultant Physicians) to allow physiotherapists to directly refer patients with musculoskeletal conditions to orthopaedic surgeons.

Digital imaging

The current primary care system does little to encourage health practitioners to work to the top of their scope of practice. Requirements for GP referrals for imaging frustrate physiotherapists and does not allow them to work to scope. Physiotherapists are more qualified in diagnosing and treating musculoskeletal conditions than GPs. They can also assess the need for radiology and refer patients for X-rays. At present, physiotherapists can request R-type X-rays of the spine, hip and pelvis and their patients receive a rebate that is equivalent to that funded when the request is made by a doctor. However, when physiotherapists request NR type x-ray and ultrasound items, the MBS subsidies for patients are lower than that funded when the request is made by a doctor.

Evidence shows that physiotherapists are skilled at ordering clinically appropriate imaging. When magnetic resonance imaging (MRI) was used as the gold standard, the diagnostic accuracy of physiotherapists for clients with musculoskeletal injuries was found to be as good as that of orthopaedic surgeons and significantly better than that of non-orthopaedic providers.

The APA recommends amending the Medicare Benefit Schedule (MBS) to allow physiotherapists full referral rights for the following item numbers under Schedule 5 of the MBS:

Ultrasound	X-Ray	MRI
55800	57509	63322
55808	57521	63325
55816	57523	63331
55820	57703	63337
55836	57709	63560

## Publicly Funded Physiotherapy

We urge consideration of publicly funded physiotherapy in primary care to allow access to physiotherapists as first contact practitioners – a model successfully used in the United Kingdom with a growing evidence base demonstrating benefits to patients and general practices. This would reduce disparities by ensuring that those who need it the most can access the supports and capacity-building services they need to thrive. Although the UK health system operates very differently from Australia's fee-for-service model, the results of the First Contact Practitioner (Physiotherapist) reform in the UK show overwhelming the benefits to patients, GPs and in substantial savings to the health system.

Realising the reforms already identified in primary care necessitates improving access to essential care, reducing out-of-pocket costs and, most importantly, reducing costly and inefficient treatments. Fundamentally, we'll see a more cost-effective system and better health outcomes if we simply allow patients to be treated by physiotherapists in the primary care setting. The cost-effectiveness of our interventions is proven both in the literature and through cost-benefit analysis.<sup>2</sup> More investment in publicly funded physiotherapy is needed to drive new models of care for chronic disease, chronic and persistent pain, and injury prevention and management. Supporting Primary Health Networks to commission physiotherapy-led models of care to address service delivery challenges in rural areas is one way to improve rural and regional health inequalities.

As the aim of Urgent Care Clinics is to reduce unnecessary hospital ED presentations and provide patients with immediate diagnostic care and treatment, then incorporating physiotherapists in Urgent Care Clinics makes sense. A significant proportion of the likely patient load will be sprains, strains and spinal pain, conditions best managed by physiotherapists who are experts in musculoskeletal conditions and currently work in healthcare, including primary care, in similar roles in a safe and effective manner.

It should be noted that the Department of Health advised that physiotherapy would be part of the Urgent Care Clinic model. In response to questions posed by Senator the Hon Anne Ruston during Budget Estimates (8 November 2022), and in relation to the discussion on the Government's Urgent Care Clinics as detailed on the Community Affairs Legislation Committee Hansard record,<sup>3</sup> Department Secretary Prof. Murphy said:

**Prof. Murphy:** "Maybe there's a bit of 'back to the future' in that, because I think you'll find most GPs at present don't set bones and many of them don't do suturing. So I think there is a little bit of returning to some of the more multidisciplinary models of old. That multidisciplinary side of the new model of care is really important. You can see a lot more people, particularly if you've got salary support through additional money from Medicare, to be able to have a lot of the assessment done by nurses or allied health. **If you've come in with a sprain, a physio might be able to see you on their own. So the model of care is different.** A little bit of it is

---

<sup>2</sup> Nous Group. Value of Physiotherapy in Australia. Australian Physiotherapy Association. 2020.  
[https://australian.physio/sites/default/files/Report\\_FA\\_WEB.pdf](https://australian.physio/sites/default/files/Report_FA_WEB.pdf)

<sup>3</sup>

[https://parlinfo.aph.gov.au/parlInfo/download/committees/estimate/26265/toc\\_pdf/Community%20Affairs%20Legislation%20Committee\\_2022\\_11\\_08\\_Official.pdf;fileType=application%2Fpdf#search=%22committees/estimate/26265/0000%22](https://parlinfo.aph.gov.au/parlInfo/download/committees/estimate/26265/toc_pdf/Community%20Affairs%20Legislation%20Committee_2022_11_08_Official.pdf;fileType=application%2Fpdf#search=%22committees/estimate/26265/0000%22)



going to back to what you're talking about from the past, but primary care does not do a lot of that sort of urgent assessment. Very often, if you go to a GP now and say, 'I've just cut my arm,' they'll say, 'Go to the ED,' because they're not really set up in many cases to do that stuff at present."

At the time, the APA welcomed this policy clarification from the Department. As noted at the Senate Committee hearing, Emergency Departments are under increasing pressure. Many people attend EDs with musculoskeletal (MSK) issues that can be diagnosed and even treated immediately by a qualified physiotherapist. It is estimated that around 15-20 per cent of GP visits relate to MSK issues. Often these are sports related and occur after normal GP practice hours. This is particularly problematic on weekends with community sport which creates high volume of Category 4 and 5 (less and non-urgent) ED presentations that block more critical care need. Physiotherapists working in Urgent Care Clinics will provide better and faster access to diagnosis, treatment, and care of musculoskeletal pain and conditions. Physiotherapy is key to ensuring continuity of care across the primary and acute care interface by contributing to alleviating GP workload and diverting non-life threatening emergencies from Emergency Departments.

Australian Institute of Health and Welfare (AIHW) 2021-2022 data on ED admissions shows:

- Only 6% of musculoskeletal presentations are categorised as Emergency or higher
- 85% are urgent or semi-urgent (could be seen in an urgent clinic not ED)
- 9% are non-urgent (could be seen in any non urgent practice)

*Source: Emergency department care - Australian Institute of Health and Welfare (aihw.gov.au) Table 4.6*

Of the top 20 'principle' diagnosis in ED (diagnosis of all types across all body areas/systems):

- Soft Tissue disorders are the 7th most common diagnosis
- Dorsalgia (Back Pain) is the 8th most common diagnosis
- Wrist Fractures and Hand fractures are 18th most common diagnosis
- Dislocations, sprains and strain of joint and ligaments of ankle or foot are the 19th most common diagnosis

*Source: Emergency department care - Australian Institute of Health and Welfare (aihw.gov.au) Table 4.9*

Overseas evidence, particularly from the United Kingdom, shows that physiotherapists working with GPs in primary care delivers key benefits both for patients and for the health system in the form of cost savings and better utilisation of resources, including the health workforce. Appropriately qualified Ahpra-regulated autonomous clinical physiotherapy practitioners who are able to assess, diagnose, treat and discharge a person without a medical referral – where appropriate – will help deliver on the promise of Urgent Care Clinics.

We also understand that some Urgent Care Clinics already utilise physiotherapy, for example Barwon has had a primary contact musculoskeletal physiotherapists working in their ED at University Hospital Geelong for quite some time, and in 2022 they expanded this model to the Urgent Care Centre at Barwon Health North. The UCC has a physiotherapist and Nurse Practitioner, and they utilise the virtual ED service at the main hospital should they need to consult with the medical team. The APA understands this model is working effectively.

There is therefore an evidence base demonstrating the value to patients and the health system from multidisciplinary care teams. However, if this is not the standard across Australia then many people in need will be left without access, and the system will remain fragmented and inequitable.

## About Australian Physiotherapy Association (APA)

The 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 30,000 members who conduct more than 23 million consultations each year. The APA corporate structure is one of a company limited by guarantee. The APA is governed by a Board of Directors elected by representatives