

Parental leave fee review

9 December 2024

Recommendations and actions

Overview

In May 2024, Ahpra established a review panel of internal registration, policy and financial experts to explore ways to introduce fee relief for practitioners on parental leave and to assess the financial impact that any change may have. This followed concerns that the current fee structure does not adequately account for registered health practitioners who take periods of parental leave from their practise of the profession. As parental leave is a protected attribute, the scope of the review extended beyond parenting to other protected attributes, such as disability or carer responsibilities.

Ahpra has accepted the review's recommendation to introduce a fee rebate of 30 per cent to come into effect on 1 July 2025 for practitioners who have taken leave for at least six months in the prior year (i.e. in the 2024-25 registration year) on the grounds of a protected attribute. This will be reviewed after twelve months.

Importantly, due to the timing of their annual renewal date, nurses and midwives will have access to the rebate for their registration renewal due in May 2026.

Ahpra is also commissioning further work on two important issues related to fee arrangements.

These are:

- Improvements to the policies, fee and practitioner experience when transferring between nonpractising and practising registration.
- A new project to review and provide advice on a wider pro rata fees strategy, for consideration by November 2025 with recommendations to come into effect on 1 July 2026.

The proposed change and the further review work aim to improve fee equity and practitioner experience while not diminishing the financial sustainability of the National Registration and Accreditation Scheme (National Scheme) as a practitioner-funded regulatory scheme.

Our current fee setting policy

The National Scheme is fully funded on a cost-recovery basis by practitioner fees, except for a small number of specific purpose grants from government. The National Boards work closely with Ahpra to keep fees as low as possible while continuing to meet regulatory obligations and the expectations of the public and practitioners.

Currently, general and specialist registration fees are set as a once-a-year payment. The only exception is for practitioners who gain registration within the final two months of the registration period. These practitioners are granted registration without the need to pay the registration fee until the next renewal period, which can be a period of up to 14 months. Practitioners experiencing significant financial hardship have an option to pay the annual registration fee in two instalments.

Annually, each of the <u>National Boards and Ahpra publish a Health Profession Agreement</u> that details the fees payable by health practitioners, the annual budget of the National Board and the services provided by Ahpra that enable the National Boards to carry out their functions under the Health Practitioner Regulation National Law (National Law). For registration fee increases above indexation, a business case must be prepared and consulted on with each jurisdiction's Health Minister prior to formalising the registration renewal fee.

To meet scheme commitments, the financial budgets and regulatory fees are set in advance of each financial year.

Practitioner concerns

We know that fee arrangements can be a source of concern from some registered health practitioners. This includes issues related to the cost of registration fees in some professions; lack of refund, flexibility or pro rata arrangements; lack of clarity of the overall costs and compliance requirements for returning to practice when transferring to non-practising status, and; requirements for new practitioners to pay full year again, close together.

While the current Ahpra Fee setting policy aims to be neutral in applying to all practitioners, it is likely to impact practitioners who are pregnant or parents (or that have a disability or carer responsibilities) as they are required to take an extended period away from practice. The situation is different for those who can continue to practise but for reduced hours or who decide to only practise for six months out of the year for lifestyle reasons.

Benchmarking

The review included a desktop benchmarking process of professional organisations (such as the AMA, RANZCOG and the Victorian Legal Services Board) for fees ranging from \$100 to \$1,700. This found that the most common approaches for protected leave (where these existed) were:

- pro rata and discounts, or
- to hold or pause general registration and re-register at a reduced fee.

Proposals

Fee rebate

To achieve a solution for more immediate implementation for practitioners, the review focused on a rebate being made available to eligible practitioners in most professions, from 1 July 2025 as opposed to a pro rata fee. This is due to the wider range of registrants for whom a pro rata fee may need to be considered, and the extent of system and process changes anticipated.

The review panel took extensive modelling and consultation with National Boards on the level of fee rebate that is appropriate, and a 30 per cent rebate was determined as the preferred recommendation in year one.

In reaching the recommendation, consideration was given to what could be achieved in the immediate term while a more in-depth analysis of a pro rata approach was undertaken.

Pro rata fee

The review found that a pro rata approach may improve the practitioner experience with fees, but due to the wider range of registrants for whom this may apply, any pro rata fee policy will be reliant on more extensive analysis. The outputs of a subsequent project may inform fee setting for financial year 2026/27. This would also allow the necessary time for development and consultation for professions where the impact to fees is greater than indexation.

Transitioning back to practising from non-practising

As noted above, Aphra is undertaking work to improve the policies, fee and practitioner experience when transferring between non-practising and practising registration. Work has commenced to cap the annual cost to practitioners transferring between practising and non-practising within a registration year. There have also been improvements made to the published information and advice for practitioners considering a move to non-practising registration.

Disclosure requirements for practitioners

Two options were considered to support claims for fee relief: an upload of supporting documentation, or a declaration only with the requirement to submit supporting documents if selected for random audit.

Given that making a false and misleading statement is considered professional misconduct, it was agreed that the practitioner experience as well as administrative burden would be better served by a declaration on renewal. Supporting documents would only need to be submitted if a declaration was selected for audit by Ahpra.