# Delivery of reforms to pathology application charging arrangements

The Australian Government has delivered its 2024-25 Budget commitment to reform pathology application charging arrangements. This has been achieved by making the <a href="Health Insurance">Health Insurance</a> (Pathology) (Fees) (Repeal) Act 2025 to repeal the Health Insurance (Pathology) (Fees) Act 1991 and amend the Health Insurance Act 1973.

It means that the pathology sector will no longer be required to pay fees for the approval of applications to provide Medicare eligible pathology services. This reform applies to approved pathology authority (APA), approved pathology practitioner (APP) or accredited pathology laboratory (APL) applications.

The reforms will provide fee relief of around \$800,000 yearly to the pathology sector and simplify Medicare approval, reducing administrative burden for APAs.

Accreditation requirements have not been changed by this reform, ensuring ongoing compliance with quality standards and maintaining public confidence in pathology testing accuracy.

Details on applying for APA, APP, and APL approvals are available on Services Australia's website for health professionals at: Pathology services for health professionals.

# What will change?

# 1. Fee free APA, APP and APL approvals

The Health Insurance (Pathology)(Fees)(Repeal) Act 2025 commenced on 5 September 2025. It repealed the Health Insurance (Pathology)(Fees) Act 1991 and amended the Health Insurance Act 1973, to:

- remove fees for APA, APP and APL approvals in effect from 1 July 2025; and
- permit the full refund of any fees paid for APA, APP and APL approvals that came into effect from 1 July 2025 onwards (i.e. before the commencement of the Health Insurance (Pathology)(Fees)(Repeal) Act 2025).

# 2. Refund of APA, APP and APL approval fees

Applicants **do not** need to contact Services Australia to request a refund. Services Australia will notify applicants eligible to receive full refunds of APA, APP, and APL fees from 1 July 2025. As part of this process, Services Australia will ask APAs and APPs to confirm their bank account details to ensure refunds are deposited into the correct bank account.

# 3. Streamlined APA, APP and APL application approvals

The Health Insurance (Pathology) (Fees) (Repeal) Act 2025 has streamlined APA, APP and APL application approval processes.

From 5 September 2025, the *Health Insurance (Pathology)(Fees)(Repeal) Act 2025* will ensure:

- applicants will no longer receive a preliminary approval, or requests for payment to finalise their applications; and
- approvals will be granted in accordance with the *Health Insurance Act 1973*, following assessment of application forms and supporting information.

# What will not change?

#### 1. Application types

Each of the existing application types will remain in place and continue to serve the same purpose. Taxes for Approved Collection Centres will continue unchanged.

#### 2. Accreditation requirements

Under the *Health Insurance Act 1973*, those seeking approval to provide pathology services under Medicare must meet certain criteria, including complying with all relevant undertakings and approvals. With few exceptions, Medicare benefits for pathology services are only payable when they are rendered by or on behalf of an APP in an APL owned by an APA.

# 3. Providers must apply to Services Australia for approvals and renewals

Pathology service providers must obtain approval from Services Australia before they can commence providing pathology services under Medicare.

Renewal applications must be submitted for assessment within 3 months of expected expiry, allowing enough time for processing before approval periods end.

# 4. Approval periods

Approval periods will remain the same for each application type, as outlined in Table 1.

Table 1 Approval period for each application type

Application type	Approval period
Approved Pathology Authorities	1 year
Approved Pathology Practitioners	1 year
Accredited Pathology Laboratories	Up to 3 years
Approved Collection Centres	2 years

# 5. Tax for Approved Collection Centre applications

Taxes for the approval of Approved Collection Centres are imposed under the *Health Insurance (Approved Pathology Specimen Collection Centres) Tax Act 2000* (ACC Tax Act). No amendments have been made to the ACC Tax Act. Taxes, eligibility criteria, and application processes will not be affected by this change.