

# What the New Bulk Billing Changes Really Mean & How It Affects Healthcare Leaders.



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## OUR ANALYSIS

From November 1, 2025, Australia's bulk billing system is getting a major shake-up —and if you're leading a healthcare organisation, you need to know what's coming and how to respond.

### So, What's Changing?

The government is introducing new incentives to encourage GP clinics to bulk bill all patients, not just concession card holders and kids.

There are two key changes:

1. New Bulk Billing Payments for Everyone
2. A Bonus Incentive for Fully Bulk Billing Practices



## 1. New Bulk Billing Payments for Everyone

If your practice bulk bills all GP visits (non-referred), you'll receive extra funding on top of the Medicare rebate, no matter who the patient is.

## 2. A Bonus Incentive for Fully Bulk Billing Practices

If every GP in your clinic bulk bills every eligible patient, your clinic could earn a 12.5% bonus on all those Medicare payments.

This bonus will be paid quarterly starting in 2026.

## What This Could Mean Financially

For metro practices: an extra \$5,000–6,000 funding per year per GP

For rural practices: over \$20,000 funding more per year per GP

(Source: RACGP and AMA estimates)

For clinics that're already bulk billing most patients, this is essentially free money to keep doing what you're doing.



## **But There's a Catch —isn't there always though?**

While the upcoming GP bulk billing incentive changes are well-intentioned with the aim of improving access & affordability, they could carry unintended consequences that healthcare leaders should be aware of.

Here's a breakdown of the key risks:

### **1.) The One-Size-Fits-All Model = Reduced Flexibility**

The “100% or nothing” rule means all GPs in a practice must bulk bill all eligible patients to receive the incentive.

#### **→ Unintended consequences:**

Practices lose flexibility to tailor their billing based on patient needs, service complexity, or clinician judgment.

This could push GPs to either opt-out of the incentive altogether, or to compromise on how care is delivered just to remain eligible.



## 2.) Incentivising Shorter Consults

The incentive doesn't differentiate based on length or complexity of consultations. So it's the same funding increase whether it's a 5-minute script renewal, or a 40-minute mental health care plan.

### ➔ **Unintended consequence:**

Clinics may feel financial pressure to increase patient volume, which could then:

- Undermine quality of care.
- Burn out clinicians.
- Disincentivise longer, more complex consultations (which will particularly impact chronic disease & mental health management).

## 3.) Erosion of Mixed Billing Models

Mixed billing is where clinics bulk bill some patients and privately bill others, has become the norm for financial sustainability.



➔ **Unintended consequence:**

Practices may be forced to choose between full bulk billing or losing the incentive.

Clinics may “opt in” to the program and then be forced to quietly cut corners elsewhere (e.g. fewer staff, rushed consults) to remain financially viable.

#### 4.) Workforce Morale & Retention Issues

Many GPs already feel undervalued and overworked. These reforms could worsen that if they're not implemented with wisely.

➔ **Unintended consequence:**

GPs may feel they're again being asked to do more, for less.

Inflexible billing rules could lead to disengagement or even early retirement, especially among experienced doctors.



## 5.) Regional Inequities Will Widen

Regional or disadvantaged areas may miss out entirely on the program's benefits, which could deepen existing access gaps, especially where general practice is already underserved.

## 6.) Potential for Gaming the System

Where money flows, workarounds follow. This is inevitable.

### ➔ **Unintended consequence:**

Some providers may prioritise volume over value, chasing bulk billed numbers to unlock the quarterly bonus, which risks quality care being provided.

## What Should Healthcare Leaders Be Doing?

### a) Run the Numbers —

- Figure out how much your clinic could earn under the new scheme.
- Use your 2024 billing data as a starting point.
- Talk to your accountant or finance lead about the pros and cons.



**b.) Prep Your Team —**

If you want to join the new program, every GP in the clinic needs to be on board.

That's a big cultural and operational shift.

Start having those conversations now.

**c.) Protect Quality Care —**

More bulk billing shouldn't mean rushed care.

Consider investing in nurse-led clinics, team-based care, and better triage so you can still offer quality time to patients who need it.

**d.) Keep an Eye on Patient Experience —**

Patients will expect better access and zero out-of-pocket costs.

Make sure your systems, scheduling, and communication reflect this.



Remember that:

**More bulk billing  $\neq$  better care**, unless the system is designed to:

- Value quality over quantity
- Support GP wellbeing
- Fund the true cost of care and
- Recognise regional and operational differences

### **Final Words Of Wisdom**

This could be a turning point for Medicare. But only if practices are supported to deliver high quality care in addition to affordability. Now is the time to:

- Reassess your clinic's funding model
- Advocate for fair rules (especially around tax and funding equity)
- And above all, design care models that last longer than an election cycle

If implemented well, this reform could bring Australia closer to a healthcare system where every person gets the care they need, when and where they need it.



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