Submission

AUSTRALIAN PHYSIOTHERAPY ASSOCIATION

APA Submission for 2026 Inquiry into claims made through the Transport Accident Commission (TAC)

Via email to: tacclaims@parliament.vic.gov.au

Submission by the **Australian Physiotherapy Association**

April 2026

Authorised by:

Rob LoPresti
Chief Executive Officer
Australian Physiotherapy Association
Suite 1, 1175 Toorak Rd
Camberwell VIC 3124
Phone: (03) 9092 0888
www.australian.physio

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.

AUSTRALIAN PHYSIOTHERAPY ASSOCIATION

About the Australian Physiotherapy Association

The Australian Physiotherapy Association's (APA) vision is for all Australians to have access to quality physiotherapy, when and where required, to optimise health and wellbeing and for the community to recognise the benefit of choosing physiotherapy.

The APA represents more than 35,500 members. We are the peak body representing the interests of Australian physiotherapists and their patients and a national organisation with state and territory branches and specialty subgroups.

The APA corporate structure is one of a company limited by guarantee and is governed by a Board of Directors elected by representatives of all stakeholder groups within the Association. Of the potential nine Directors, seven must be financial members of the APA, and up to two may be external, non-physiotherapist Directors.

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.

TABLE OF CONTENTS

1. INTRODUCTION 1
2. THE ROLE OF PHYSIOTHERAPY WITHIN THE SCHEME 1
2.1 APA's role in transport accident rehabilitation and recovery 1
3. CLAIM VERACITY AND FRAUD-CONTROL DESIGN 2
3.1 Addressing claim veracity concerns 2
3.2 Typical engagement with TAC processes 3
4. RESPONSE TO INQUIRY TERMS OF REFERENCE 3
4.1 TOR 1: Processes around legitimate claims, including disputed claims 3
4.2 TOR 2: Circumstances and systems related to fraudulent claims 4
4.3 TOR 3: Private provider discretion to set fees exceeding the Medicare Benefits Schedule rate 5
4.4 TOR 4: Interactions with other services, such as the National Disability Insurance Scheme (NDIS), and how TAC clients have been impacted by federal reforms to — 6
a) the National Disability Insurance Agency and the NDIS; and 6
b) restrictions on health privacy and information sharing between state and federal agencies 6
5. CONCLUSION 6

AUSTRALIAN PHYSIOTHERAPY ASSOCIATION

1. INTRODUCTION

The Australian Physiotherapy Association (APA) welcomes the opportunity to make a submission to the Inquiry into claims made through the Transport Accident Commission (TAC), being undertaken by the Legislative Council Legal and Social Issues Committee.

Physiotherapists delivering TAC-funded services are regulated under the National Registration and Accreditation Scheme, administered by the Australian Health Practitioner Regulation Agency (Ahpra) and the Physiotherapy Board of Australia, providing a strong framework for professional accountability, ethical practice and patient safety.

Physiotherapists play a central role in the rehabilitation, recovery and return to participation of people injured in transport accidents. The APA represents nearly 6,500 physiotherapists practising in Victoria, many of whom regularly deliver services within the TAC scheme. APA members deliver a substantial proportion of early intervention, ongoing treatment and functional rehabilitation within the TAC scheme, placing physiotherapy at the frontline of both client outcomes and overall scheme performance.

The APA supports the objectives of scheme integrity, appropriate oversight and responsible stewardship of public funds. We recognise the importance of identifying and addressing fraudulent or inappropriate claiming. However, the APA cautions that measures intended to strengthen compliance and fraud prevention must be proportionate and carefully calibrated to avoid unintended consequences. These risks include delays in access to clinically necessary care, increased administrative burden on clinicians, reduced availability of legitimate services, and poorer outcomes for injured Victorians.

This submission responds to the full Terms of Reference of the Inquiry, with particular focus on issues most relevant to the delivery of physiotherapy services, including processes around legitimate and disputed claims, systems related to fraudulent claims, private provider fee discretion, and interactions between the TAC and other service systems such as the National Disability Insurance Scheme (NDIS). It draws on the experience of physiotherapists working with the Victorian TAC scheme to identify opportunities to strengthen scheme integrity while supporting timely access to appropriate care and improved outcomes for injured Victorians.

The APA would welcome the opportunity to appear before the Committee to expand on this submission and provide practitioner-based evidence to assist the Inquiry.

2. THE ROLE OF PHYSIOTHERAPY WITHIN THE SCHEME

Physiotherapy is a core component of recovery following transport-related injury. Early, active physiotherapy intervention is strongly associated with improved functional outcomes, reduced chronicity and faster return to work or meaningful activity. Physiotherapists are uniquely placed to assess movement, function and capacity, and to deliver evidence-based rehabilitation grounded in a biopsychosocial model of care.

Within the TAC scheme, physiotherapists frequently manage complex presentations involving pain, psychosocial barriers, comorbid conditions and secondary complications. Timely access to physiotherapy supports recovery pathways, that not only improve individual outcomes, but can also reduce longer-term scheme costs by preventing escalation to higher-cost interventions, prolonged incapacity or entrenched disability.

2.1 APA's role in transport accident rehabilitation and recovery

The APA supports robust, well designed systems that ensure claims and services delivered under the TAC scheme are legitimate, clinically necessary and evidence-based. The APA represents physiotherapists practising within a highly regulated and administratively intensive environment, governed by registration standards administered by Ahpra and enforceable professional and ethical obligations. These frameworks underpin high quality care, reflect the needs of the scheme for which TAC is responsible, and support consistently strong client outcomes within an already highly regulated environment.

2.1.1 **APA members' experience navigating TAC systems**

APA members regularly engage with TAC claims processes, including treatment approvals, progress reporting, outcome justification, and interactions with case managers and other treating providers. While physiotherapists recognise the importance of accountability, scheme integrity and appropriate oversight, members report a growing administrative and compliance burden associated with claims management.

Physiotherapists are increasingly required to devote significant non-billable time to documentation, justification and responding to requests for information. Where processes are unclear, duplicated or delayed, this administrative load reduces time available for direct patient care and can disrupt continuity of care for clients.

2.1.2 **Importance of timely access to allied health services**

Delays in treatment approval, disputes regarding clinical necessity or overly restrictive controls on service delivery can interrupt care at critical points in a person's recovery. Clinically inappropriate delays increase the risk of deterioration, secondary complications and poorer long-term outcomes.

From a scheme perspective, such delays may undermine efficiency and value by increasing the likelihood of escalation to more intensive or prolonged interventions later in the recovery pathway. Ensuring timely, appropriately access to allied health services is therefore central to both individual recovery and sustainable scheme performance.

3. CLAIM VERACITY AND FRAUD-CONTROL DESIGN

3.1 Addressing claim veracity concerns

The APA recognises the importance of robust arrangements to ensure claims made under the TAC scheme are legitimate, clinically necessary and evidence based. Further, the APA acknowledges that identifying and addressing fraudulent or inappropriate claiming is a legitimate and necessary function of the scheme. At the same time, the APA considers that fraud-control measures must therefore be carefully designed to complement – not overcorrect or undermine – existing accountability frameworks, as excessive or duplicative controls risk eroding clinical judgement, delaying legitimate care and ultimately weakening rehabilitation outcomes and scheme value.

In this context, particular care is required to ensure that approaches to claim veracity are targeted and proportionate, and do not inadvertently duplicate or override existing arrangements. Risks of duplication or over-regulation most commonly arise in relation to professional accountability standards, the use of broad, untargeted compliance measures, the treatment of clinical complexity as a compliance concern, and constraints on clinical judgement.

a) Professional accountability standards

Physiotherapists operate within a regulated clinical framework that requires defensible clinical reasoning, clear goal-setting and outcome measurement. Existing documentation standards and audit mechanisms already provide proportionate mechanisms for monitoring service provision and identifying inappropriate practice.

b) Broad, untargeted compliance measures

Broad or non-specific compliance measures can inadvertently impose administrative burden on high-performing, low-risk providers. Where applied uniformly, such measures risk diverting clinical time away from patient care and introducing unnecessary delay into recovery pathways. Targeted, data-informed approaches that focus on outliers and high-risk patterns are more effective, proportionate and better aligned with efficient scheme management.

c) Distinguishing fraud from clinical complexity

Complex or prolonged claims often reflect injury severity, psychosocial factors, comorbidities or systemic delays rather than fraudulent behaviour. Where complexity is interpreted as a compliance

concern, legitimate clinical care risks being wrongly scrutinised, undermining the outcomes that are the intended outcomes of the scheme. Treating complexity as suspicion risks weakening therapeutic relationships and disengaging both clinicians and clients, contrary to the rehabilitative intent of the TAC scheme.

d) Protecting clinical judgement

Rigid service-utilisation thresholds or narrowly defined treatment pathways can constrain clinicians' ability to exercise professional judgement and deliver individualised care, particularly for complex TAC clients. In such circumstances, claims reflecting a legitimate need for care can be delayed or denied on non-clinical grounds, increasing the risk of deterioration, secondary complications and poorer long-term outcomes.

3.2 Typical engagement with TAC processes

APA members' routine engagement with TAC claims and approval processes provides practical insight into how claim veracity and fraud controls operate in practice. These insights highlight areas where existing arrangements risk over-correction, but also identify opportunities to refine processes in ways that strengthen scheme integrity while supporting timely, evidence-based rehabilitation and ensuring the scheme remains viable for the long term.

Drawing on the experience of its members, the APA has worked to identify practical opportunities to improve processes, strengthen cross-scheme coordination – particularly with the NDIS – and better support timely, evidence-based rehabilitation. These opportunities are directed at improving outcomes for injured Victorians while supporting the effective and sustainable operation of the TAC scheme. The APA would be pleased to assist the Committee further by drawing on the experience of its members, including through evidence where appropriate.

4. RESPONSE TO INQUIRY TERMS OF REFERENCE

4.1 TOR 1: Processes around legitimate claims, including disputed claims

4.1.1 **APA Position on fraud and scheme integrity**

The APA unequivocally rejects fraudulent behaviour and supports strong, evidence-based mechanisms to protect scheme integrity. Fraud undermines public trust, diverts resources from legitimate claimants and damages the reputation of the professions involved.

At the same time, effective fraud control requires careful calibration. Anti-fraud frameworks must recognise the clinical realities of injury, recovery and rehabilitation, including the diversity and complexity of injury presentations within the TAC scheme. Systems that inadvertently penalise legitimate care undermine confidence, increase administrative burden and risk worsening client outcomes.

The APA supports the work of government and TAC to prevent, detect and respond to fraud. Where fraudulent behaviour is suspected or identified, appropriate avenues for investigation and enforcement should be activated, including reporting to the APA, TAC, AHPRA and, where necessary, law enforcement. Ensuring that fraud is addressed decisively is a shared policy aim and essential to maintaining confidence in the scheme.

Recommendation:

That the TAC continues to pursue targeted, intelligence-led fraud detection mechanisms that clearly differentiate between deliberate fraud from legitimate, clinically complex or high-need cases, and that professional groups, including the APA, be engaged in the design and review of these frameworks.

4.1.2 **Refining current anti-fraud measures**

APA members report an increased perception of scrutiny and risk aversion within the TAC system. While oversight and accountability are necessary components of scheme governance, current

measures may at times place disproportionate emphasis on process compliance than on rehabilitation outcomes.

Physiotherapists report that repeated requests for clinical justification, narrow interpretations of treatment necessity and prolonged approval timeframes can disrupt continuity of care at critical stages of recovery. These practices risk delaying clinically appropriate treatment without clear evidence that they strengthen fraud detection or prevention.

The fundamental systems and processes for ensuring safety and improving quality are already well established across health regulatory settings. Introducing additional requirements within the TAC scheme would therefore duplicate existing controls rather than strengthen them.

As a result, the APA cautions against government requiring TAC to implement any model that would result in duplicate accreditation demands, as such increasing administrative burden and constraining the efficient delivery of high quality care already being delivered within the scheme.

Recommendation:

That TAC review the current imposts on clinical impact of current anti-fraud measures, as well as the potential risks associated with the introduction of future measures. Such a review should be undertaken with a focus on reducing duplication, improving decision timeliness and maintaining focus on recovery outcomes.

4.1.3 **Administrative and Clinical Burden on Physiotherapists**

Non-billable administrative requirements place increasing strain on physiotherapists and practices. Over time, this burden risks reducing provider participation in the TAC scheme, particularly among more experienced clinicians, with flow-on impacts for access and quality.

From a scheme design perspective, sustained administrative burden can constrain provider participation and workforce capacity, with downstream effects on access, continuity of care and scheme efficiency.

Recommendation:

That TAC formally recognise and actively manage the cumulative administrative burden on allied health providers as a scheme integrity issue and actively manage this burden as part of broader claims management and performance settings.

4.2 TOR 2: Circumstances and systems related to fraudulent claims

4.2.1 **Balancing fraud prevention and legitimate access to care**

Over-correction in fraud prevention carries risks of creating barriers for legitimate claimants. Excessively restrictive controls may delay early intervention, interrupt rehabilitation pathways and increase the likelihood of poorer long-term outcomes, including prolonged incapacity or disability. Delays and interruptions to care disproportionately affect clients with complex needs or greater vulnerability.

Further impacts on clinician autonomy may arise where control settings rely heavily on repeated administrative requirements. This can lead to clinicians feeling pressured to practice in a more constrained manner, focussed on meeting compliance demands rather than working optimally to deliver treatment and care to TAC clients.

By ensuring that any new measures the TAC may employ to address existing or prevent future fraud do not impede the current high-quality outcomes delivered through physiotherapy within the scheme, the scheme's long-term viability will be better guaranteed.

Recommendation:

That the TAC adopt a balanced framework that prioritises engaging with clinicians working within the scheme, and explicitly weighs the clinical risks of delayed or denied care against fraud mitigation objectives, taking full account of the existing regulation of physiotherapy and TAC injury management claims (see Appendix A: The existing physiotherapy regulatory environment).

4.2.2 **Opportunities for process improvement**

There are clear opportunities to streamline TAC administrative processes, including reducing duplication in reporting, improving clarity of approval requirements, and increasing transparency in decision-making.

Better alignment of clinical pathways with real-world rehabilitation practice would support both scheme efficiency and provider engagement, while reducing the risk that administrative settings inadvertently disrupt care delivery.

Recommendation:

That the TAC co-design process improvements with frontline clinicians, focusing on simplification, timeliness and clinically meaningful measures of progress.

4.2.3 **Impact of claim delays and disputes on patient outcomes**

Disputes, delays and uncertainty in claims management can exacerbate injury-related distress, contribute to disengagement from rehabilitation and increase the likelihood of chronic conditions.

From both a human and economic perspective, timely resolution of disputes is critical to supporting recovery and avoiding longer term scheme reliance.

Recommendation:

That the TAC prioritise early resolution mechanisms for disputes involving clinically recommended treatment, particularly where delay presents a risk of deterioration.

4.3 TOR 3: Private provider discretion to set fees exceeding the Medicare Benefits Schedule rate

4.3.1 **Private fee setting and the limits of Medicare benchmarks**

Physiotherapy services delivered under the TAC scheme operate in circumstances that differ materially from those contemplated by the Medicare Benefits Schedule (MBS). The MBS was designed to support episodic, short-duration medical services and does not adequately reflect the complexity, duration and multidisciplinary intensity that often characterise rehabilitation following transport-related injury.

Term of Reference (3) provides an important opportunity to recognise that “reasonable” fees in a private setting are, by definition, private rates. These rates reflect the true cost of delivering contemporary, evidence-based physiotherapy care, including appropriate appointment length, senior clinical input, practice overheads, ongoing professional development, outcome measurement and compliance with insurer and regulatory requirements. Unlike the MBS, private fee setting enables services to be tailored to injury severity, psychosocial complexity and recovery goals, rather than constrained by an episodic funding model that risks under-servicing injured people.

Importantly, physiotherapy fees under TAC are already constrained by market forces, clinical governance frameworks and insurer oversight. Independent economic modelling commissioned by the APA and undertaken by the Nous Group (Hourly rate for the provision of physiotherapy services), found that compensable scheme fees frequently fall below the true cost of delivering physiotherapy services, undermining practice viability and workforce retention. The report concludes that allowing reasonable private fee discretion is essential to reflect clinical complexity, sustain senior clinical expertise and maintain ongoing access to high-value rehabilitation for injured clients. In this context, the discretion to set fees above MBS benchmarks does not equate to unchecked pricing, but rather supports appropriate care within a transparent and accountable system.

The APA submits that allowing reasonable fee discretion above MBS rates, when exercised within robust governance and review arrangements, supports timely access to high-value rehabilitation services. It enables the retention and participation of experienced clinicians, promotes best-practice care, and aligns funding with the complexity of transport-related injury.

Recommendation:

That the Committee recognise that the MBS is not an appropriate pricing benchmark for TAC-funded allied health services, and that provider discretion to charge fees above MBS rates – within a regulated

and accountable framework – is necessary to support access to high-quality rehabilitation and long-term scheme sustainability.

4.4 TOR 4: Interactions with other services, such as the National Disability Insurance Scheme (NDIS), and how TAC clients have been impacted by federal reforms to —

a) the National Disability Insurance Agency and the NDIS; and

b) restrictions on health privacy and information sharing between state and federal agencies

4.4.1 **Interaction with other services, including the NDIS**

Recent reforms to the NDIS and National Disability Insurance Agency, combined with privacy and information-sharing restrictions, have increased fragmentation between TAC and federally funded services. Physiotherapists supporting clients who interface with both systems report ongoing challenges in coordinating care, sharing relevant clinical information and maintaining continuity of treatment.

Where responsibilities between schemes are unclear or contested, clients may experience service gaps, delays in access to care or duplication of assessments. These inefficiencies can disrupt rehabilitation pathways and place additional stress on clients navigating multiple systems during recovery.

Recommendation:

That the TAC work proactively with state and federal counterparts to improve cross-scheme coordination, clarify funding responsibilities and enable appropriate information-sharing that supports patient outcomes while respecting privacy obligations.

4.4.2 **Opportunities for Cross-Scheme Coordination and Reform**

Improving navigation across TAC, NDIS, and other systems would benefit clients, providers and payers by reducing fragmentation and improving continuity of care. More coordinated system design can assist injured people to navigate transitions between schemes and support more efficient use of public resources.

Principles for better alignment include:

- clear delineation of responsibilities
- proportionate information-sharing
- client-centred navigation across systems
- a shared focus on functional and recovery outcomes

Recommendation:

That the TAC play an active leadership role in cross-scheme reform initiatives aimed at improving navigation, coordination and outcomes for injured people.

5. CONCLUSION

Physiotherapy is a core contributor to recovery, participation and value for money within the TAC scheme. The APA supports strong and effective scheme integrity settings, while cautioning against approaches that unintentionally undermine access to legitimate care or impose unsustainable administrative burdens that are inconsistent with efficient rehabilitation delivery.

A balanced, clinically informed approach to scheme design, grounded in evidence, proportionality and collaboration, will best support public confidence and ensure the TAC scheme continues to deliver strong outcomes for injured Victorians.

APPENDIX A: THE EXISTING PHYSIOTHERAPY REGULATORY ENVIRONMENT

The physiotherapy profession engages in a range of strategies to reduce the prevalence of low value care. These include driving the application of clinical guidelines, reducing error and harm, and strengthening the skills of physiotherapists and those of their patients.

Regulation in physiotherapy includes self-regulation, regulation by peers, regulation by the market and regulation by government. While the potential for fraud is not eliminated by these measures and remains present, the scale of the issue should be responded to conscientiously and judiciously, to ensure the long term viability of the TAC scheme in meeting the needs of people injured on Victorian roads.

Regulation by self and peers

Self-regulation and regulation by peers are based on establishing cultural and behavioural norms that minimise the occurrence of low value care and professional misconduct. Professional culture and peer expectations within the profession can be leveraged to discourage antisocial, unsafe and unethical behaviour.

The APA Code of Conduct, along with clinical practice standards and guidelines, is a central component of self and peer regulation. The Code sets out the ethical foundations and professional obligations for APA members, recognising responsibilities of physiotherapists to clients, families, colleagues and communities they work with and the healthcare system in which physiotherapists practise.

The four principles of the Code of Conduct are to:

- Respect the rights and autonomy of the individual
- Cause no harm
- Advance the common good; and
- Act fairly

The principles support a value-base framework that guides and strengthens physiotherapist's capability to make ethical decisions and provide safe, high-quality care.

The APA Code of Conduct, guidelines for clinical notes and practice standards, provide a comprehensive resource to guide the reporting, escalation and response to mistreatment of consumers in a variety of settings, including treating those who have been in traffic accidents. These resources encourage self and peer regulation and support physiotherapists to identify and manage inappropriate practice. Training and support mechanisms are important to enable appropriate responses when concerns such as fraud are identified.

The National Professional Standards Panel

The APA oversees the operation of the National Professional Standards Panel (NPSP) within the profession. The purpose of the NPSP is to educate, encourage and assist APA members to uphold standards of professional conduct, meet professional and ethical obligations of the APA Code of Conduct and achieve a high standard of practice.

Where a complaint is made against an APA member, the NPSP provides a peer response mechanism. Outcomes may include remediation, disciplinary action or referral to the case to the Ahpra, where appropriate.

A strength of the NPSP is its capacity to address concerns in a fair, consistent and timely manner without over regulating physiotherapists.

Regulation by Government and the market

Physiotherapy services are externally regulated by the Physiotherapy Board of Australia. The APA Code of Conduct closely aligns with the Physiotherapy Board of Australia Code of Conduct.

Like other registered health professions, physiotherapists are required to meet regulations set by the Ahpra. Registered physiotherapists must comply with registration standards, codes and professional guidelines designed to ensure safe, high-quality care.

The Physiotherapy Board of Australia works in partnership with Ahpra to implement the National Registration and Accreditation Scheme under the Health Practitioner Regulation National Law.

The role and function of regulatory authorities appear to be varied and at times, inconsistent. The role and function of quality agencies need to have a reliable and consistent approach to regulation.

The fundamental systems and processes for ensuring safety and improving quality are largely consistent across these regulatory settings. Additional accreditation requirements therefore risk duplicating existing safeguards, increasing administrative burden and diverting clinical capacity without a corresponding improvement in care or safety.