

Fee setting policy

Purpose

The purpose of this policy is to provide instruction on fee setting and indexation to maintain cost recovery for regulatory operations, and non-regulatory services.

The instructions provide clarity yet allow flexibility in determining regulatory and accreditation fees and increases that support a sustainable financial model for health professions regulation and in pricing for the supply of non-regulatory services.

Scope

The scope of the policy includes all regulatory fees, accreditation income and pricing of non-regulatory services that are to be determined by Ahpra and National Boards.

The policy scope does not apply to grant revenues, interest income and recoveries (e.g. insurance claims).

Policy

1. Principles

1.1 This policy is made in accordance with Ahpra's Financial delegations policy to support the efficient and effective administration of the Health Practitioner Regulation National Law Act (National Law). Fee setting is to be conducted with consideration given to the following interests of the National Scheme as administered by Ahpra:

- All applicable legislation, regulatory requirements and accounting standards.
- Principles of best value, economy and efficiency.
- The management of equity to ensure the long-term financial sustainability of the scheme.
- Lawful decisions that will stand up to public scrutiny.
- Corporate and strategic objectives of the scheme.
- The financial profile and liquidity requirements of Ahpra's operations.
- Scheme policies and procedures for code of conduct and conflicts of interest.
- Reasonable expectations (express and implied) of key stakeholders.
- Specified limits and requirements associated with relevant sub-delegations.

2. Authority for fee setting

Ahpra will work with National Boards to agree practitioner registration regulatory and accreditation fees on an annual basis.

Regulatory fees

- 2.1 Ahpra and National Boards will set fees to recover forecasted costs and maintain required levels of equity to regulate health professions for which the Board is established. Each National Board must publish on its website the fees for which provision has been made.
- 2.2 There must be alignment between the expenses of Regulatory activity for each profession and the fees set.
- 2.3 In fee setting, consideration is to be given to practitioner experience Hardship policy, management of equity, and cost recovery requirements of each profession.

Accreditation fees

- 2.4 There are two types of accreditation authorities in the scheme: external accreditation entities and committees established by the Boards.
- 2.5 Ahpra and National Boards will set fees at the agreed rate with external accreditation authorities, and to recover the costs of committees established by the Boards and Ahpra costs that support effective operation

Other services

- 2.6 Ahpra will set prices and fees for non-regulatory supplies and services with consideration for the purpose and costs of the supply and the business purpose of the customer.
- 2.7 Pricing will be based on a reasonable fee that considers cost-recovery principles, administrative effort and long-term investment requirements.
- 2.8 Where the administrative effort of cost-recovery for a particular service is seen to be inefficient, a reasonable fee based on expert estimation, principles or purpose of the supply may be set.
- 2.9 Fees for services that serve a commercial use will be based on a reasonable fee that considers the overall costs, and value.

3. Indexation of fees

Registration fees

- 3.1 Each National Board registration fees strategy will incorporate indexation where necessary to meet cost-recovery requirements. To ensure that fee setting is responsive to economic conditions, The indexation of fees will reflect:
 - the Reserve Bank Australia (RBA) target for inflation is a range from 2.0 to 3.0%
 - the effective Consumer price index (CPI) will be considered when indexing fees, and/or
 - the effective wage inflation rate included in the current Enterprise agreement or public wage inflation rate if the agreement is expired at the time of fee setting.
- 3.2 Indicative indexation will be zero and up to the higher of the three indices listed above at the time of fee setting to absorb inflationary cost increases. This range will be published in the annual National Board budget guidelines.

Exemptions

- 3.3 Where Ahpra and a Board agree to raise registration renewal fees by indexation as described in 3.2 above, no feedback will be sought from the Australian Health Workforce Minister Council (AHWMC).
- 3.4 Where Ahpra and a Board elect to raise registration fees by an amount that is above the indicative indexation range at the time of fee setting, Ahpra will seek (on behalf of the National Board) formal feedback on proposed fee increases from the AHWMC prior to finalisation and implementation of fee changes.
- 3.5 For this purpose, Ahpra and the National Board will prepare and approve a business case demonstrating the need for the proposed fee increases.

Other regulatory fees

- 3.6 Other fees specific to an individual National Board will be reviewed when either Ahpra or the National Board(s) deem this to be necessary to ensure cost recovery is achieved.
- 3.7 Ahpra may deem some fees consistent across all National Boards. These fees are to be reviewed at least once every three years.

Other services

- 3.8 Where input costs to supply services increase, the cost-recovery may be indexed in line with third party or wage indexation changes or other accelerated cost recognition.
- 3.9 Fees and pricing indexation for other supplies and services will occur in accordance with customer contracts.

4. Goods and service tax (GST)

- 4.1 Where applicable, GST will be collected in the cost-recovery price of goods and services and remitted to the ATO.
- 1.2. Regulatory fees do not constitute a supply and therefore, are not subject to GST. Accreditation fees are a supply that directly relates to a GST free (Education) supply and therefore do not attract GST.

Relevant legislation

- [A New Tax System \(Goods and Services Tax\) Act 1999](#)
- [Reserve Bank Act 1959](#)

Related documents

- Refunds policy
- Health Professions Agreement budget framework
- Budget framework

Document control	
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Responsible officer	National Director, Finance
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