

Strategies to keep your practice viable

Updated 1 November 2025

On 1 July 2025, the minimum wage rose 3.5% and the superannuation guarantee rate increased from 11% to 11.5%. GPs and practice owners need to cover these and other annual cost increases. And yet, the rebate for a standard GP consultation in the same period increased by just \$1.05 to \$43.90.

Medicare was created in 1984 and is now over [40 years old](#). Rebates are no longer set at an appropriate rate, compounded by the Medicare rebate freeze which lasted from 2013 to 2020. The rebate for standard GP consultations were completely frozen at the time and that loss of funding has never been recovered.

General practices operate as small businesses and require tailored sustainable business and billing models in place to ensure they remain viable and can continue to provide high-quality care to the community.

There are several strategies you can employ to ensure you have sufficient income to cover costs associated with providing general practice services, as well as your personal expenses.

Please note the strategies listed are suggestions only and may not be suitable to your particular circumstances. Both practice owners and independent specialist general practitioners need to be thinking about ways to improve viability. As a contractor, you should have and retain full control over your billing choices.

- Undertake a detailed review of practice costs (eg rent, utilities, salaries, insurance, medical consumables, infrastructure and technology costs)
 - Have costs increased over time and why?
 - Are there costs that can be reduced?
 - Can you change providers/suppliers to lower costs? Or approach current providers/suppliers for discounts?
 - Does the cost of providing a service exceed the Medicare rebate?
- Review expected income and track that against profit and loss.
- Charge a fee at particular times (eg after-hours, weekends) or for particular services (eg minor procedures).
- Review your fees and billing policy to determine if they are still appropriate for your current circumstances.
- Proactively run billing reports, making sure you are aware of where you're headed and not waiting for the annual washup – use business inquiries and metrics throughout the year.
- If you are fully bulk billing, consider transitioning to mixed or private billing.
- Limit bulk billing to certain patient groups, such as children, concession card holders and pensioners.
- Accept work from private payers (eg workers compensation, occupational health).
- Run specialised clinics (eg skin clinics) to generate additional income.
- Ensure you have a sound understanding of Medicare item numbers that you can claim.
- Understand when co-claiming is appropriate or where specific item numbers offer greater rebates than consultation item numbers.
- Use practice management software to improve the efficiency of your practice.
- Software can be used to complete forms, identify patients who are overdue for an appointment, and target reminders for patients with complex care needs.

- Look into [alternative funding streams](#) such as [general practice grants and commissioning opportunities](#), and [Practice Incentives Program \(PIP\) payments](#).
- Undertake non-clinical work (eg medical writing, advisory roles).
- Supplement income from other sources such as community health clinics and hospitals.
- If you are a practice owner, think about your employment arrangements
 - Should you employ or contract staff?
- How can you optimise the roles of other staff in your practice to improve efficiency (eg GPs in training, nurses, allied health professionals, receptionists)?
- Undertake further training in business management.
- If you're an independent contractor, consider your own business case
 - Assess your billings to determine your hourly, taking into consideration that various costs (superannuation, cost of enrolling in CPD, sick leave, annual leave)
- Assess your costs regularly (eg on a monthly basis) to ensure that you can forecast accurately and predict what might vary in the future.

Additional resources

The RACGP has created a range of [resources](#) to help members build a successful general practice and maintain work life balance.

[RACGP Billing calculator](#)

[General practice business toolkit](#)

[A guide to introducing mixed billing in your practice](#)

[Optimising your billing strategy – a CPD solution](#)

[Supporting sustainable billing practices for general practice](#)

[Discussing fees with your patients – information for GPs](#)

[Billing case studies](#)