



RACGP

*Preparing medical reports:  
A guide to setting fees and  
writing reports*



## **Preparing medical reports: A guide to setting fees and writing reports**

### **Disclaimer**

The information set out in this publication is current at the date of first publication and is intended for use as a guide of a general nature only and may or may not be relevant to particular practices or circumstances. Nor is this publication exhaustive of the subject matter. Persons implementing any recommendations contained in this publication must exercise their own independent skill or judgement or seek appropriate professional advice relevant to their own particular circumstances when so doing. Compliance with any recommendations cannot of itself guarantee discharge of the duty of care owed to patients and others coming into contact with the health professional and the premises from which the health professional operates.

Accordingly, The Royal Australian College of General Practitioners (RACGP) and its employees and agents shall have no liability (including without limitation liability by reason of negligence) to any users of the information contained in this publication for any loss or damage (consequential or otherwise), cost or expense incurred or arising by reason of any person using or relying on the information contained in this publication and whether caused by reason of any error, negligent act, omission or misrepresentation in the information.

Published by

The Royal Australian College of General Practitioners  
100 Wellington Parade  
East Melbourne Victoria 3002 Australia

Tel 03 8699 0414  
Fax 03 8699 0400  
[www.racgp.org.au](http://www.racgp.org.au)

Published April 2015

© The Royal Australian College of General Practitioners

# *Acknowledgements*

*Preparing medical reports: A guide to setting fees and writing reports* was developed in response to requests from RACGP members.

The RACGP's National Standing Committee – General Practice Advocacy and Support contributed significantly to the guide based on its collective experience of preparing medical reports.

The RACGP thanks representatives from Avant and MDA National for their valuable advice during the development process.

Contact the RACGP's Policy and Practice Support team via email at [advocacy@racgp.org.au](mailto:advocacy@racgp.org.au) for more information.



# Contents

<i>Acknowledgements</i>	<i>i</i>
<i>1. Background</i>	<i>1</i>
1.1. Who asks GPs for medical reports?	1
1.2. Distinctions between medical reports and medical records	2
<i>2. Determining a fee</i>	<i>3</i>
2.1. Things to consider when determining a fee	3
2.2. Things to consider when a fee is proposed by the third party	4
2.3. Set the fee prior to commencing the report	4
<i>3. Writing the medical report</i>	<i>5</i>
3.1. Structuring medical reports	5
3.2. Supplementary reports	5
<i>4. Role and responsibilities of GPs preparing medical reports</i>	<i>6</i>
<i>5. Further information</i>	<i>7</i>
<i>References</i>	<i>8</i>



# 1. Background

General practitioners (GPs) are recognised as experts with professional skills to assist a number of third parties, including courts and insurance companies. By virtue of their role as the first point of contact with Australia's health system, GPs have access to comprehensive health records containing important information about a patient's condition, treatment and prognosis. As a result, GPs are often called on by third parties to prepare medical reports.

GPs preparing medical reports should receive appropriate remuneration for this service. As this work falls outside the scope of Medicare, it is up to the GP and relevant agency to agree on an appropriate fee.

This guide has been developed to assist GPs to set appropriate fees for preparing medical reports. It sets out the main considerations for determining fees for medical reports and provides suggestions regarding the format and content of medical reports. It also outlines key responsibilities when undertaking this type of work.

## 1.1. Who asks GPs for medical reports?

GPs are asked to provide information to a range of third parties. Insurance companies, motor accident and workers' compensation agencies, solicitors and welfare agencies may request services including assessments and preparation of medical reports.

There are three broad types of reports you may be asked to prepare:

- a treating doctor's report, presenting facts about diagnosis, treatment, capacity and prognosis
- expert opinion, relating to a condition or prognosis, or to a GP's standard of care or causation (this will likely involve an examination)
- a hybrid report, where the treating doctor provides an opinion about diagnosis, assessment of capacity and other issues.

Medical reports are used for a number of purposes. Medical indemnity work involves preparing reports or information in relation to claims of harm or loss due to the faulty actions of a health professional or an organisation,<sup>1</sup> whereas third parties may seek medical opinions in relation to a range of issues not limited to medical indemnity claims (ie insurance or welfare issues). Medico-legal work specifically refers to work related to the functions of the courts and the legal system.<sup>2</sup> Each may require preparation of reports, however, the intended use varies widely.

Some insurers may require their clients to meet the cost of an initial medical report prior to accepting the client's claim and resuming responsibility for reimbursing doctors for their reports. The same criteria set out in this guide on setting fees for third parties apply to preparing medical reports for these clients.

This guide provides general advice regarding the preparation of treating doctor reports. However, it may also provide guidance regarding the preparation of more complex reports. Your medical defence organisation will be able to provide additional assistance when preparing expert opinion reports for medico-legal work.

## 1.2. Distinctions between medical reports and medical records

Medical reports are prepared by GPs for third parties based on review of a medical record and possibly an examination. A medical report will contain statements of facts and may also include an opinion if requested by the third party. As mentioned earlier, medical reports that are prepared for legal purposes are referred to as medico-legal reports.

In contrast, medical records are maintained by a GP and other practice staff, forming a record of a patient's consultations and encounters with the practice. Third parties may request access to partial or full medical records. In most circumstances, information from, or copies of, a patient's record must never be released to a third party without the patient's consent. Confirming the patient consents to the release of their full medical record to a third party is recommended so that they are aware of the extent of the information requested about them. If a doctor is concerned about the amount of information requested by a third party, medico-legal advice should be sought.

A reasonable fee should be established for providing copies of a patient's record. The RACGP's *Handbook for management of health information in general practice* (3rd edition) (available at [www.racgp.org.au/handbookhealthinformation](http://www.racgp.org.au/handbookhealthinformation)) provides guidance on appropriate fees to recover costs for arranging access to medical records.

The RACGP's *Managing external requests for patient information* (available at [www.racgp.org.au/managingexternalrequests](http://www.racgp.org.au/managingexternalrequests)) provides additional advice regarding which data elements should be extracted from a patient's electronic medical record when responding to an external request.

## 2. Determining a fee

This section sets out the factors that should be considered when setting fees for the preparation of medical reports. The RACGP provides guidance on setting fees for services that attracts Medicare benefits in the *General practice management toolkit – Module 7: Managing financial resources* (available at [www.racgp.org.au/module7](http://www.racgp.org.au/module7)).

### 2.1. Things to consider when determining a fee

#### Clarify the purpose of the report

Before agreeing to prepare a medical report, it is important to understand the purpose and intended use of the medical report. Clarifying the purpose will:

- minimise potential disputes regarding fulfilment of the report requirements
- assist in better understanding the level of skill and time required to complete the report
- determine whether it is necessary to examine the person in order to prepare the report. A fee for undertaking a physical examination should also be considered.

For example, insurance companies may request two different types of reports with varying degrees of complexity. They may request GP assistance to assess a client or potential client's risk profile and ask the GP to provide an opinion on their fitness for a task or activity. Alternatively, an insurance company may ask for verification of events (eg hospitalisation or death), which will generally only involve documentation of the events.<sup>3</sup>

#### Estimate the time involved in preparing the report

Preparing medical reports can be time consuming and can mean foregoing patient consultations or alternative income generating activities. The purpose, potential length and complexity of the requested medical report should indicate the amount of time it will take to complete the report.

It could be useful to determine a base level of income generated (per hour) when consulting with patients and apply this figure to the estimated time involved in preparing the report. An after-hours loading may also be considered where appropriate.

#### Anticipate administrative and nursing staff involvement

There are often administrative tasks required to complete the report, which could be included in the overall report fee. These additional costs may include the time required from administrative or nursing staff, as well as the cost of phone calls and photocopying required to prepare the report. Most state and territory freedom of information or health records legislation set standard photocopying fees which should be used when calculating figures.

#### Understand the goods and services tax implications

Goods and services tax (GST) does not apply to a service if that service attracts a Medicare benefit. A service may also be free from GST, even if a Medicare benefit is not payable, if the service is generally accepted by the medical profession as a necessary and appropriate treatment for the patient.<sup>4</sup>

As there is no Medicare benefit for medical reports, and the service is not for the treatment of a patient, GST will generally apply.<sup>4</sup> It is important to confirm whether preparation of the medical report is subject to GST so an appropriate fee can be set.<sup>5</sup> Further information regarding tax obligations can be accessed from the Australian Taxation Office (available at [www.ato.gov.au](http://www.ato.gov.au)).

## Act in accordance with competition legislation

The *Australian Competition and Consumer Act 2010* (the Act) requires medical professionals to set fees in a way that will not breach the Act. While GPs can exchange information on their process for determining fees, they can only agree to charge the same fees if they are practising within the same entity. It is illegal, in most instances, for doctors practising through separate entities to agree on set fees.<sup>6</sup>

### Example. Determining the fee

If you generate, on average, \$300 per hour in practice billings, you may like to use this to calculate a fee for preparing a medico-legal report. Using your average hourly billings as a base, consider if an after-hours loading is applicable. Consider the input of your practice manager or practice nurse in preparing the report and factor in the cost of the administrative or clinical assistance they have provided. Lastly, understand and calculate any GST obligations.

## 2.2. Things to consider when a fee is proposed by the third party

On receipt of a request to prepare a medical report with a proposed fee, assess if the fee reflects the work required to prepare the report and meets your expectations. GPs are not obliged to accept the fee offered and should seek to negotiate a more suitable level of remuneration if the fee offered is unsuitable.

There are times when the proposed fee is prescribed by legislation or regulation. When assessing a request, it is important to consider whether the third party is subject to a legislative or statutory fee regime. For example, courts and motor accident and workers' compensation agencies often have disbursement scales or fee schedules which prescribe the maximum or standard fee for medical reports.

These differ between Australian states and territories and it is reasonable to refer to the relevant fee schedules or reimbursement rates for these agencies. The third party should be able to confirm if fees are prescribed or negotiable.

### Example. Where a proposed fee is not adequate

Dr Loton has received a request from an insurance company to prepare a report on her patient's health. The insurance company has provided six questions for Dr Loton and has proposed a payment of \$150 for the completed report.

Dr Loton thinks that she can complete the report using the patient's medical record once she has her patient's consent and estimates that it would take her about an hour to prepare. Her average hourly income is \$320. She responds to the insurance company, proposing that she be paid \$320 to prepare the report. After some negotiation, the insurance company agrees to the fee and Dr Loton completes the report.

## 2.3. Set the fee prior to commencing the report

By agreeing to complete a medical report, you are under a contractual obligation to complete the report.<sup>7</sup> The best approach to avoid conflict is to agree on a fee for production of a report prior to agreeing to prepare the report itself or commencing any activities to support development of a report (ie physical examination, recall of records, completing forms).

Fees should be agreed for the production of a report and payment should be honoured even if the report is completed but no longer required by the requesting party.

## 3. *Writing the medical report*

### 3.1. Structuring medical reports

Structured reports support readers to interpret and understand the content of the report and may reduce subsequent requests for information.<sup>8</sup> A request to provide a medical report will often be accompanied by a set of questions and/or a template or form. There is generally an accepted structure for medical reports that can be used when a template or form has not been supplied by the third party, or when a set of questions has been provided with no instructions.<sup>8-10</sup> The recommended structure below may assist in preparing a comprehensive medical report, including the context and reasoning supporting the stated opinions.

#### Identify yourself and your credentials

The report should state who has prepared its contents and their scope of expertise. You can achieve this by providing a 1–2 paragraph overview outlining your experience and expertise.<sup>8</sup>

#### Introduce the scope and purpose of the report

The reason for preparation of the report should be clearly stated, including any questions you have been asked to consider/address.<sup>10</sup>

#### Outline relevant history, outcomes of physical examination and management strategies

The report should contain a detailed medical history of events or illnesses that relate to the purpose for preparing the report. Information on the general state of health or other relevant factors should also be included, along with the proposed management of the condition(s). It is also important to acknowledge any gaps in the medical record that may limit the capacity to provide a full representation of the current state of the individual and their health.<sup>11</sup>

#### Provide an opinion and/or respond to questions

This section should include responses to any specific questions provided by the third party.<sup>10</sup> The process for reaching stated conclusions should be transparent and substantiated within the report.<sup>8</sup> Providing an outline of the clinical method employed and the reasoning/justification for your conclusions is recommended.

### 3.2. Supplementary reports

You should not alter your original report following a request for additional information or clarification. Instead, you should provide a supplementary report that clearly indicates that it is supplementary to the first report and outlines the purpose for its preparation.<sup>12</sup> You should negotiate an appropriate fee for any additional work and supplementary report prior to commencing work on it.

## 4. Role and responsibilities of GPs preparing medical reports

It is essential that you document the person's consent to release their health information to a third party. Similarly, you must have the consent or authority to prepare a medical report prior to commencing the reporting process.

The Medical Board of Australia's *Good medical practice: A code of conduct for doctors in Australia* sets out requirements for doctors preparing medical reports and certificates, and giving evidence. It advises that doctors should:

- be honest
- take reasonable steps to verify information contained in a medical report and not intentionally mislead a third party or omit information<sup>3</sup>
- complete a report within a reasonable timeframe when having agreed to prepare it
- make clear the limits of their knowledge and limit the opinion provided in the report to their scope of expertise.<sup>8</sup>

*Good medical practice: A code of conduct for doctors in Australia* also sets out the requirements for good medical practice when a GP is contracted by a third party to prepare a medical report about a person when they are not their patient. Refer to Section 8.7 for further information on appropriate practice regarding these situations.<sup>4</sup>

## *5. Further information*

A number of organisations can provide additional information when considering appropriate fees for preparing medical reports. These include:

- Australian Medical Association
- Medicare Australia
- Australian Taxation Office
- your medical indemnity insurer.

## References

1. Australian Institute of Health and Welfare. Medical indemnity. Canberra: AIHW; 2013. Available at [www.aihw.gov.au/medical-indemnity](http://www.aihw.gov.au/medical-indemnity) [Accessed 22 July 2014].
2. The Law Society of New South Wales and Australian Medical Association (NSW). Medico-legal relations: A restatement. Sydney: The Law Society of New South Wales and AMA (NSW); 2010.
3. Seidl I. Understanding insurance: The GP's professional and ethical responsibilities. *Aust Fam Physician*, 2011;40(6):631–33.
4. Australian Taxation Office. GST and medical services. Canberra: ATO; 2014. Available at [www.ato.gov.au/Business/GST/In-detail/Your-industry/Health/GST-and-medical-services](http://www.ato.gov.au/Business/GST/In-detail/Your-industry/Health/GST-and-medical-services) [Accessed 15 July 2014].
5. Australian Medical Association. GST, conduct monies and workers compensation. Canberra: AMA; 2013. Available at <https://ama.com.au/article/gst-conduct-monies-and-workers-compensation> [Accessed 11 July 2014].
6. Australian Competition and Consumer Commission. Fee setting by medical professionals. Canberra: ACCC; 2014. Available at [www.accc.gov.au/business/professional-services/medical-professionals/fee-setting-by-medical-professionals](http://www.accc.gov.au/business/professional-services/medical-professionals/fee-setting-by-medical-professionals) [Accessed 11 July 2014].
7. Australian Medical Association. Fees for reports/medico-legal. Canberra: AMA; 2009. Available at <https://ama.com.au/article/fees-reportsmedico-legal> [Accessed 10 July 2014].
8. Beran RG. Legal medicine: How to prepare a report. *Aust Fam Physician*, 2011;40(4):246–48.
9. Australian Medical Association (Vic) and Law Institute of Victoria. Guidelines for co-operation between doctors and lawyers. Melbourne: AMA (Vic) and LIV; 2005.
10. Bird S. How to write a medicolegal report. *Aust Fam Physician*, 2014;43(11):777–79.
11. Toon PD. I need a note, doctor: Dealing with requests for medical reports about patients. *BMJ*, 2009;338:b175.
12. MDA National. GP update 2012. Sydney: MDA National; 2012. Available at [www.mdanational.com.au/media/216176/gp%20update%20final\\_2012.pdf](http://www.mdanational.com.au/media/216176/gp%20update%20final_2012.pdf) [Accessed 11 July 2014].





RACGP

Healthy Profession.  
Healthy Australia.