RANZCP Private Practice Psychiatry Pulse Check 2024

Key findings

Private Practice Pulse Check: A 2024 RANZCP Exploration of Frontline Challenges and Opportunities

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Background

In October 2024, the RANZCP Section for Private Practice Psychiatry (SPPP) Committee undertook a survey of private practice psychiatrists to explore challenges and opportunities facing the sector.

Key focus areas included private practice psychiatrists' perceptions of service demand, the complexity and barriers of care, the challenges and facilitators of trainee supervision in private practice settings, including potential supervision models that support appropriate access and exposure to private practice psychiatry during traineeship, risks facing the private sector, and areas for priority action.

While private practice was the focal point of this report, its findings represent a diverse pool of practice subspecialties, people, and clinical experiences. It also draws heavily from those working in, and informed by, their experience in the public sector, and those working in current public-private working arrangements. An impactful mental health response will depend on the support and appropriate coordination of both sectors, working in tandem to meet growing and complex community needs. Pressures in either system can likewise be mutually detrimental and undermine the quality and accessibility of mental health care as a whole.

This survey is the first step in an ongoing initiative to scope key challenges facing the private practice psychiatry sector. These challenges exist within a dynamic health care landscape and require critical investigation over time. Further surveys in 2025 and beyond will explore these issues in greater depth and identify opportunities to work with government and other stakeholders to better support the mental health needs of our communities.

Key findings

- **The mental health needs of first-presentation private room/clinic patients were often perceived as significant, but many psychiatrists are unable to provide care or timely intervention.**

  On average, respondents indicated that nearly two-thirds of their patients in private room/clinic practice (65%) had moderate to severe mental health needs when first seen. However, almost half of these respondents were not accepting new patients or only doing so on exception (47%), and over half of those with open books specified a waiting list of greater than three months (55%).

- **High service demand, organisational pressure, and acute patient needs were common experiences for psychiatrists in inpatient care settings.**

  Almost two-thirds of respondents (65%) perceived current demand for admission in their hospital as 'High' or 'Very high'. Many respondents (40%) perceived an increase inpatient presentation acuity in the past 12 months, and on average, estimated around a third of patients (34%) had contact with emergency department or acute mental health care services immediately prior to admission. More than half reported disruptive management pressure or expectations (53%).

- **Key risks and priority action areas – burnout, isolation, demand and complexity, and challenging cost structures.**

More than one-in-four respondents (26%) perceived risks to private practice in terms that included burnout, isolation, pressure, unmanageable demands, or the impact on their own health and wellbeing. Almost a third (30%) identified risks in terms of untenable cost, affordability, reimbursement or remunerative structures. These terms were similarly cited by over a third (36%) as a priority action area for the sector.

- **Supporting the next generation of private psychiatrists**

  Approximately one-in-five respondents identified training in private practice as a priority area for action. While supervision was frequently viewed as means of supporting the next generation of psychiatrists and beneficial to maintaining and improving the supervisor's own clinical skillset, remunerative factors were frequently identified as a barrier (53%) and few respondents overall supervised trainees in private practice (13%).

How the survey was conducted

The survey was administered via an online questionnaire from 23 October to 11 November 2024. Respondents were asked about the jurisdiction and sector of their primary workplace (i.e., public, private), typical subspeciality areas of their private psychiatry work (e.g., general adult), and the settings in which they undertook paid work in their most recent 'usual' week.

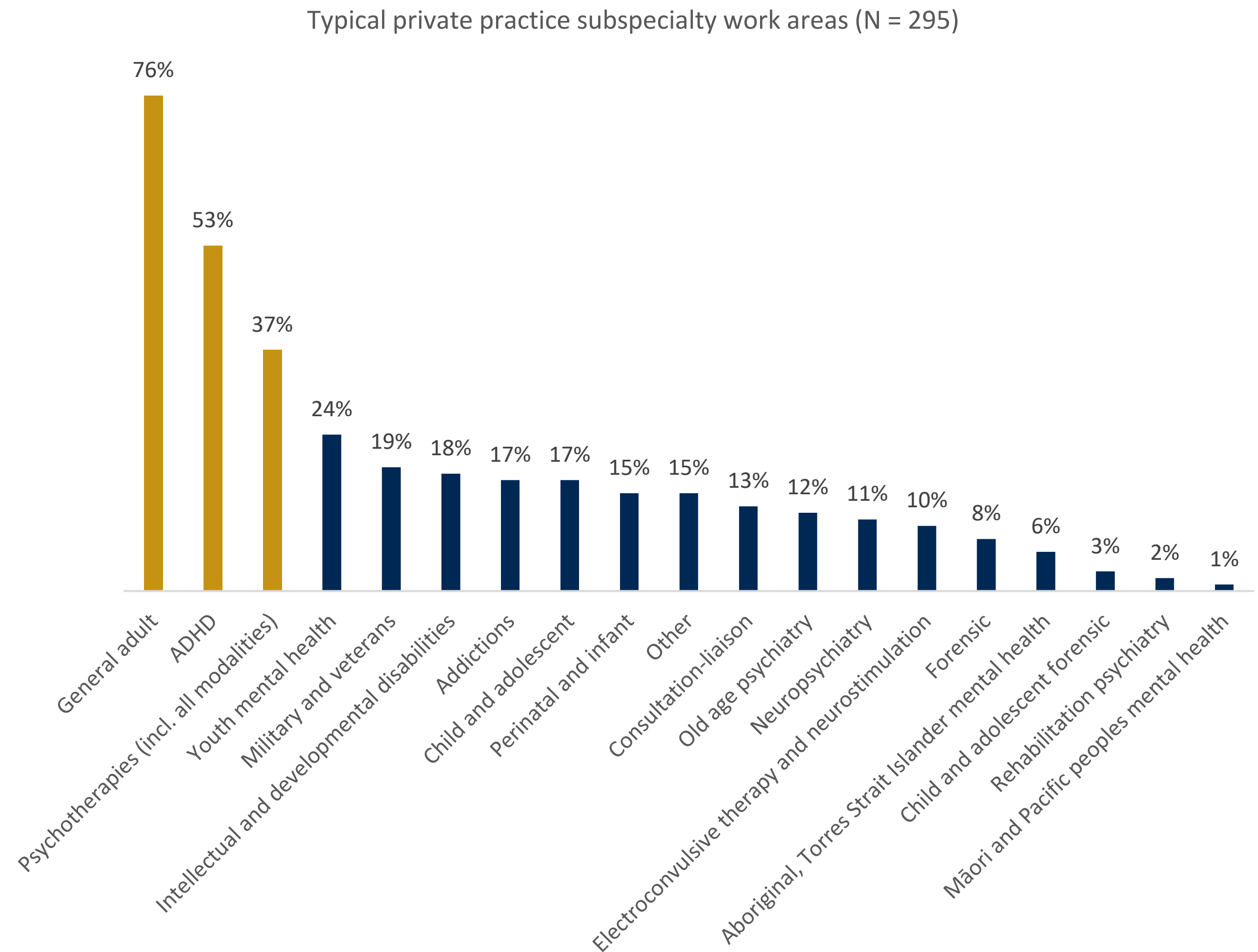
Respondents given the option to respond to questions specific to private room/clinic work, private inpatient work, or both, where relevant to their current circumstances. Respondents were also asked about their experiences supervising trainees in private practice settings and invited to provide open-text feedback on any risks or priority advocacy areas for private practice psychiatry.

Respondents

The survey was completed by a total of 295 psychiatrists. Respondents represented a range of jurisdictions, private practice subspecialties and experience in private, public, inpatient, and non-inpatient service environments.

Jurisdiction[a]	n	%
NSW	107	37%
VIC	76	26%
QLD	35	12%
ACT	27	9%
WA	19	6%
SA	16	5%
Aotearoa New Zealand	9	3%
NT	2	1%
TAS	2	1%
Current primary workplace	**n**	**%**
Private	212	72%
Public	63	21%
Other (please specify)	20	7%
Paid work – most recent 'usual' week.	**n**	**%**
Private room/clinic work – in person	239	81%
Private room/clinic work – telehealth[b]	190	64%
Public community clinical work	85	29%
Private hospital inpatient clinical work	75	25%
Medicolegal	71	24%
Public inpatient clinical work	46	16%
Tertiary education institution / Research	42	14%
Other	31	11%
Accident Compensation Corporation[c]	6	2%

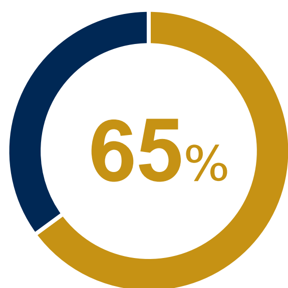
[a] Missing jurisdictional data ($n = 2$)
[b] Via telephone or videoconference
[c] ACC/Te Kaporeihana Āwhina Hunga Whara



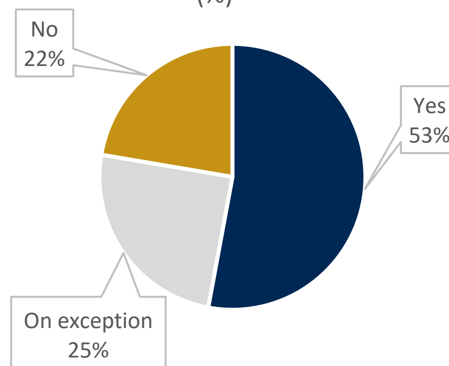
Private room/clinic findings

- A total of 286 psychiatrists provided responses regarding their experience in private room/clinic work.
- Respondents were asked about the proportion of patients they believed to have 'moderate to severe mental health needs' upon first being seen. On average, respondents indicated they believed almost two-thirds of their patients met this description (65%).
- Almost half of respondents were not accepting new patients or only doing so on exception.
- Cumulatively, over half of respondents indicating that their books were not closed specified a waiting list of three months or longer.

Patients with moderate to severe mental health needs when first seen (%)



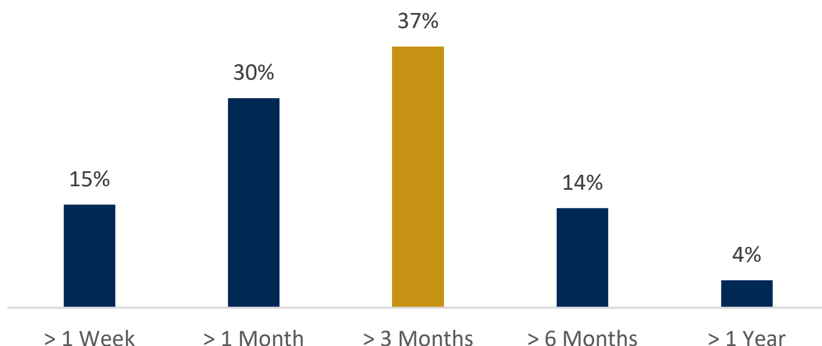
Currently accepting new patients (%)



Mean estimated number of new patient referrals (average week)*

*Where currently accepting new patients = 'Yes' (*n*: 124)

How long is your waiting list?

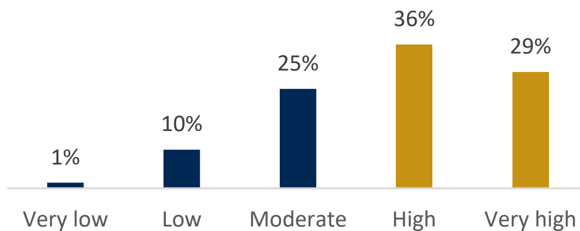


Consultation format	Reported use of consultation format (n, %)		Mean proportion of consultations used (%)
Face-to-face	259	91%	63%
Teleconference (i.e., audiovisual)	251	88%	31%
Telephone	166	58%	6%

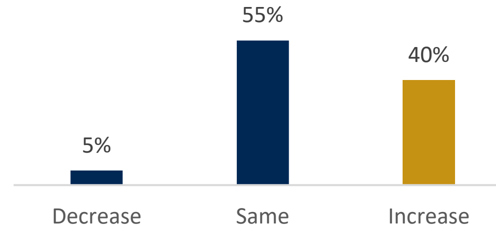
Private inpatient findings

- In total, 73 psychiatrists provided responses regarding their experience in private inpatient settings.
- Cumulatively, almost two-thirds rated the current level of psychiatric admission demand at their private hospital as either ‘high’ or ‘very high’.
- Over half of respondents (53%) reported the experience of disruptive management pressure or expectations, and just under half cited workforce disruptions (42%).
- Around two-in-five respondents (40%) believed they had observed in increase in the acuity of inpatient presentations over the previous year.
- On average, respondents estimated that around a third of patients (34%) had emergency department or acute care mental health service contact immediately prior to admission.

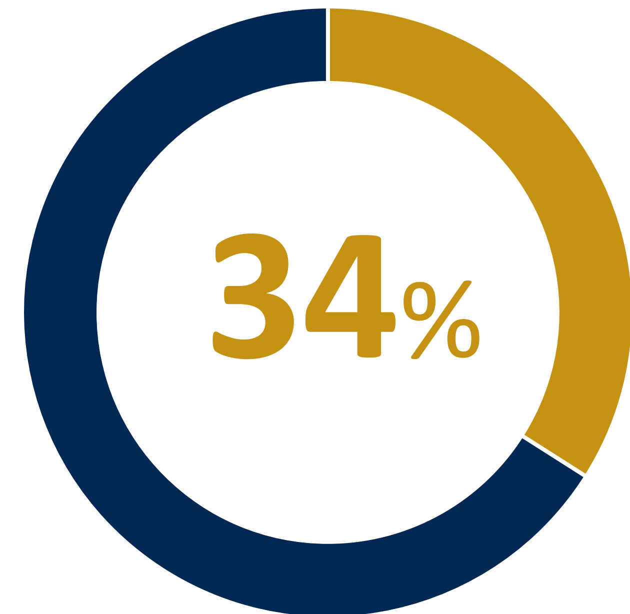
How would you rate the current level of demand for psychiatric admissions in your private hospital?



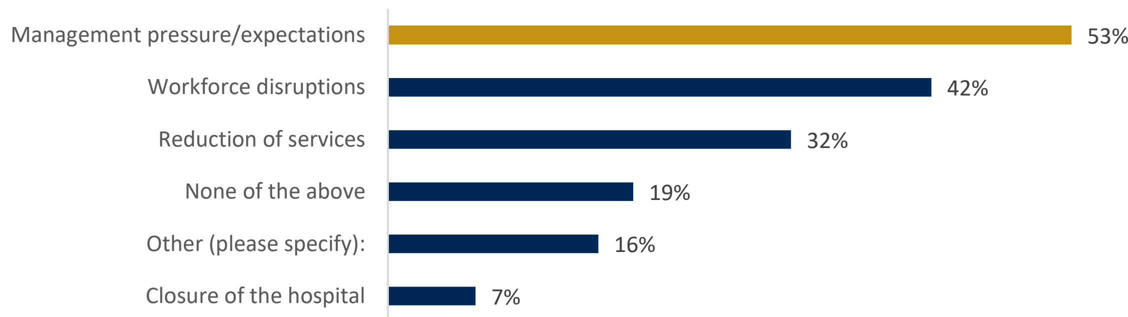
Have you observed changes in acuity of those presented over the past 12 months?



Average reported proportion of inpatients (%) with emergency department or acute care mental health service contact immediately prior to admission

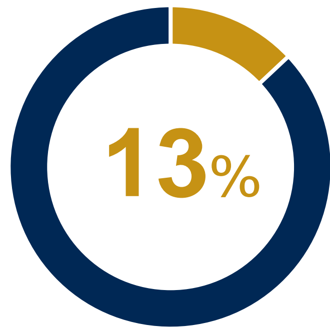


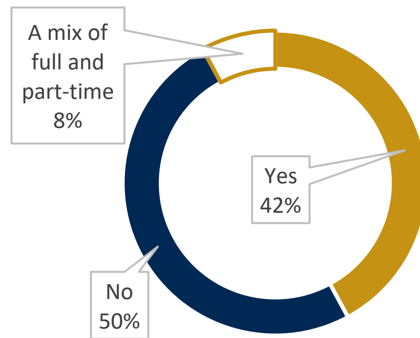
Have you experienced any of the following disruptions in your private hospital over the last year?



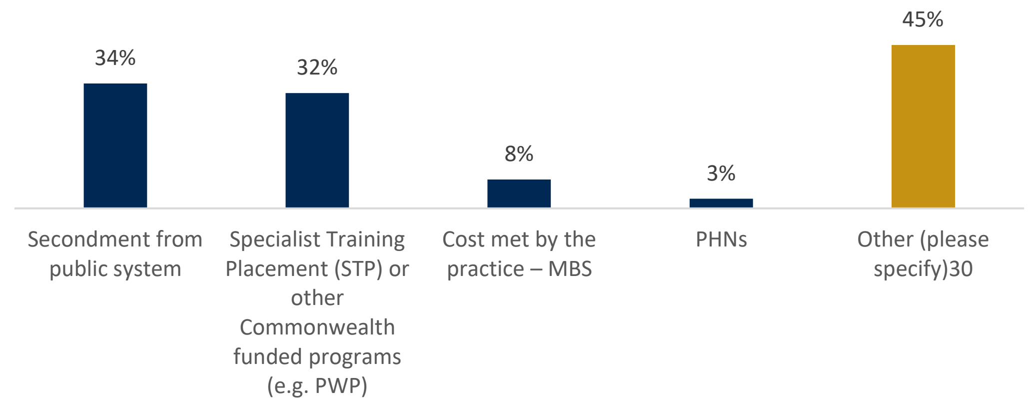
Supervision of trainees in private practice

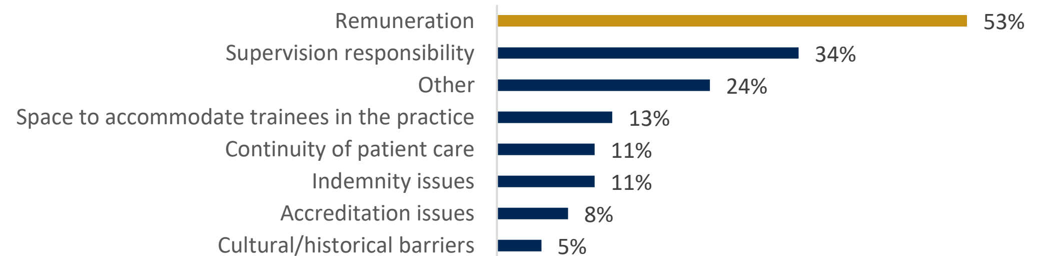
- Few respondents reported supervision of trainees in private practice (13%).
- Those who did (*n* = 38) most frequently cited support of the next generation of psychiatrists as a benefit (89%), though job satisfaction, improvement of one's own skills, and increased patient care capacity were commonly endorsed by around half of respondents in each case.





- Over half (53%) of those who supervised trainees in private practice identified remuneration factors as a barrier, and just over a third (34%) cited supervision responsibility. One-third of responses for 'other' barriers cited time-related issues (33%).
- Almost half of respondents (47%) reported that training in their private practice was not funded by STP, PHNs, MBS, or secondment from the public system. Among this group, the majority that detailed 'other' arrangements indicated that supervision was provided for free or that costs were incurred by trainees.





Risks for private practice (256 responses)

Respondents were presented with the open-text prompt *"What risks do you see for private practice?"*. In total, 256 responses were explored using thematic analysis to identify keywords and themes (*n* = number of respondents). We note that there were very few (less than 5%) responses from Aotearoa New Zealand. The content of these is largely in line with the themes presented below and does not pertain to nationally-specific matters.

1. The toll of working in private practice on the health of psychiatrists

(26% of respondents, *n* = 66)

"[There is] burnout at all levels: my executive team, the senior team leaders, the administrative staff, my executive assistant, and the clinical staff."

Keyword	Keyword frequency
Burnout	36
Isolation	24
Pressure	9
Overwhelm	6
Overwork	3
Undervalue	3
Stress/distress	4
Total	**85**

2. Rising costs and low remuneration

(30% of respondents, *n* = 78)

"Medicare rebates are not increasing sufficiently to match [the] rising costs of private work."

"[The] inpatient care remuneration model is unlikely to be sustainable [and] to continue incentivising psychiatrists to work in inpatient setting. Private health insurers [are] continually reducing funding pathways for accessing adequate private inpatient psychiatric care."

Keyword	Keyword frequency
Cost	23
Medicare	23
MBS	4
Item	4
Rebate	14
Funding	19
Billing	8
Affordability	13
Remuneration	9
Reimbursement	3
Health insurance	10
Rent	4
Total	**134**

3. Increasing demand and patient complexity

(16% of respondents, *n* = 41 respondents)

"There is high demand for psychiatric care without enough private psychiatrists to provide acute care."

"[there is] increasing complexity and severity of illness without any ability to increase support for [these] patients."

Keyword	Keyword frequency
Demand	17
Complex	17
Acute	6
Serious	5
Severe	3
Total	**48**

Key themes: Risks

1. The toll of working in private practice on the health of psychiatrists

Over a quarter of respondents (26%) cited the negative effects of their work on their health as a risk to private practice. Respondents described experiences of burnout, isolation, feeling under pressure, overwhelmed, overworked, undervalued and stressed. Almost half of respondents who mentioned burnout also mentioned that they felt professionally isolated in their clinical work. They report that they lack integration with, and support from, the public health system and private hospitals, and are therefore carrying clinical risks alone, which adds to their stress.

2. Rising costs and low remuneration

Almost a third of respondents (30%) cited financial challenges as a risk to private practice. They report rising costs including rent, indemnity insurance and employee wages. This is compounded by Medicare rebates that are insufficient and not increasing to match growing costs, particularly for inpatient care. There is also a lack of MBS items for many areas of work including training, meaning it is undertaken unpaid. In addition, remuneration rates from private health insurers are equally low. As a result, psychiatrists in private practice are forced to pass on costs to patients through increased fees and gap payments and reduced bulk billing. They report an increased number of patients unable to afford treatment.

3. Increasing demand and patient complexity

Approximately 16% of respondents say that patient demand and needs are a risk to private practice. They report that demand is growing and is beyond the capacity of their practices. At the same time, there is an increase in patients presenting or being referred to private practice who have severe or complex mental illness, or who are experiencing an acute mental health crisis. Psychiatrists in private practice do not have capacity to treat these patients. They lack support and integration with public health services to manage the increased risk these patients present, and their trainees are not prepared for such high levels of complexity and severity.

Areas for priority action (246 responses)

Respondents were presented with the open-text prompt: *"In 2025, what should the College prioritise regarding private practice?"*. In total, 246 responses were explored using thematic analysis to identify keywords and themes (*n* = number of respondents).

1. A call for more effective cost structures to support care in private practice

(36% of respondents, *n* = 89)

"The College needs to argue for higher patient Medicare rebates and review the adequacy of inpatient reimbursements from private health insurers."

Keyword	Keyword frequency
Medicare	37
MBS	12
Item	11
Rebate	32
Billing	9
Cost	7
Remuneration	14
Reimbursement	3
Funding	11
Total	**136**

2. The need to support the next generation of trainees in private practice

(20% of respondents, *n* = 49)

"Top priority: obtain Medicare item numbers for trainees to work in private practice clinics - this is critical to both service provision and workforce development."

Keyword	Keyword frequency
Training	52
Registrar	22
Total	**74**

Key themes: Priority action areas

1. A call for more effective cost structures to support care in private practice

More than a third of respondents (36%) indicated financial viability as an area of priority action for private practice in 2025. They want the College to lobby the Australian Government to adjust Medicare by increasing rebates, ensuring the continuation of key MBS items, reintroducing discontinued items, or introducing new items. There is particular interest in how Medicare could better fund rural psychiatry, telehealth, inpatient care, complex cases, and TMS. In addition, they would like the College to work towards ensuring they receive greater remuneration from private health insurers.

2. The need to support the next generation of trainees in private practice

Approximately one-in-five respondents (20%) indicated training in private practice as a priority area for 2025. There is a need to grow the number of registrars undertaking training in private practice. Currently there are not enough trainees, particularly in private clinics and consulting rooms. Training in these settings could be better supported by the Australian

Government through STP funded positions or MBS items. There is also a need for more education to increase awareness about what working in private practice is like, and more marketing to attract trainees.

Conclusion

This report presents findings from an exploratory survey of current challenges facing private practice psychiatrists. While limited in scope and sample size, the survey provides a contemporary view of these issues from the perspective of those at the forefront of care.

Respondents for both private room/clinic and inpatient care commonly reported experiences that reflecting high service demand, acute and complex clinical case management demands, professional over-exertion or isolation, systemic pressures, and cost structures perceived to be adverse to patient and provider. These challenges call attention to the broader issue of workforce sustainability in the longer term and barriers-to-entry facing the next generation of prospective private practice psychiatrists. To this end, the prioritisation and support of trainees emerged as the second most common theme for priority action following cost-structure issues.

Acknowledging survey limitations, this report casts a critical focus on the need for effective long-term strategies to support the private practice psychiatry workforce. Addressing these issues will be essential for the sector's ongoing viability as a community mental health asset and partner to public services.