

Level 5, 1 Macarthur Street
EAST MELBOURNE VIC 3000

03 7005 9772
contact@betterreg.vic.gov.au
betterregulation.vic.gov.au

D25/116873

Mr Ryan Phillips PSM
Deputy Secretary, People, Operations, Legal and Regulation
Department of Health
50 Lonsdale Street
MELBOURNE VIC 3000

22 December 2025

Dear Mr Phillips

**REGULATORY IMPACT STATEMENT FOR NON-EMERGENCY PATIENT TRANSPORT
REGULATIONS 2026**

I would like to thank your staff at the Department of Health (the Department) for working with the team at Better Regulation Victoria to prepare a Regulatory Impact Statement (RIS) for the proposed Non-Emergency Patient Transport Regulations 2026 (the proposed Regulations).

As you know, the Commissioner for Better Regulation provides independent advice on the adequacy of the analysis provided in all RISs in Victoria. A RIS is deemed to be adequate when it contains analysis that is logical, draws on relevant evidence, is transparent about any assumptions made, and is proportionate to the proposal's expected effects. The RIS also needs to be written clearly so that it can be a suitable basis for public consultation.

I am pleased to advise that the final version of the RIS received on 13 November 2025 meets the adequacy requirements set out in the *Subordinate Legislation Act 1994*.

Background and Problems

In Victoria, non-emergency patient transport (NEPT) services provide transport for patients requiring a stretcher vehicle, specialist care or health monitoring during transport to or from health services. The Department explains that NEPT providers improve patient flow and bed availability, which frees up ambulance services for emergencies. NEPT providers focus on non-emergency transport, and may also be contracted by Ambulance Victoria (AV) and/or individual health services.

The *Non-Emergency Patient Transport and First Aid Services Act 2003* (the Act) sets out that providers other than public or religious hospitals, or ambulance services must be licensed by the Secretary of the Department of Health before providing NEPT services. The Department explains that the *Non-Emergency Patient Transport Regulations 2016* (the current Regulations) prescribe standards and requirements for NEPT service providers, especially regarding licensing, clinical governance, staff qualifications and competency, vehicle maintenance, occupational health and safety, records, and patient rights. The current Regulations are supplemented by mandatory clinical practice protocols (CPPs), which set out practice requirements, treatment recommendations and minimum equipment levels for NEPT service provision.

The Department explains that the current Regulations, if not remade, will sunset in April 2026. The Department explains that, as the Governor in Council is able to grant private service providers exemptions from licencing, the NEPT system could remain operational if the Regulations were to sunset. However, the Department highlights several patient safety risks that could arise without the Regulations' operational safeguards. If the Regulations were to expire, AV would be able to enforce operational safety and other requirements through contractual conditions placed on contracted providers. However, as NEPT providers not contracted by AV may also provide services, there would be a lack of tools – regulatory or contractual - to maintain the quality of service and prevent activities, which undermine patient safety.

Options

In the RIS, the Department considers two options for remaking the Regulations:

- **Option 1 – Remake the current Regulations without change.** The current Regulations include provisions relating to:
 - Licensing obligations
 - Reporting requirements
 - Operational definitions
 - Safety requirements
 - Minimum standards for vehicles, equipment, staff training and competency
 - Clinical governance requirements.
- **Option 2 – Remake the current Regulations with some targeted amendments** as per Option 1, however several amendments are considered that relate to:
 - **Patient safety**, by clarifying equipment and vehicle maintenance, crew, and transport requirements
 - **Workforce capability**, by requiring in-person skills maintenance training, integrating CPPs into the Regulations, clarifying crew competency requirements, and expanding pathways for worker skill acquisition
 - **Efficient service delivery**, by increasing maximum vehicle mileage to support regional NEPT providers, increasing patient loading limits for

- low/medium risk aeromedical patients, and clarifying compliance requirements
- **Increasing recognition of NEPT as an important health service provider**, by updating definitions to clarify scope of service and terminology to be consistent with health service provision.

Impact Analysis

In the RIS, the Department employs a multi-criteria analysis (MCA) to compare their two options to the base case of the current Regulations expiring. The Department considers three criteria in its MCA:

- **Ensuring patient safety** (weighted at 40 per cent)
- **Supporting the NEPT system** in contributing to broader health outcomes (weighted at 10 per cent)
- **Incremental cost of regulation** (weighted at 50 per cent).

Option 2 scores highest overall in the MCA and is the Department's preferred option.

The Department explains that, due to enhanced regulatory oversight and compliance tools, both options are preferable to the base case in **ensuring patient safety**. The Department explains that Option 2 expands the scope of incidents that are reported to the Health Regulator, which ensures greater oversight and review of patient treatment within the NEPT sector. Therefore, the Department gives Option 2 the highest score for this criterion.

In assessing whether the options **support the NEPT system**, the Department considers that current maximum vehicle mileage limits disproportionately affect regional providers which imposes greater costs on them. However, it recognises that the limits provide regulatory safeguards relevant to all providers. In its assessment, the Department considers that the benefits of the mileage limits under Option 1 is offset by the disproportionate burden on regional providers. As such, the Department considers that Option 1 does not create a net benefit that supports the NEPT system. The Department argues that increased mileage limits under Option 2 addresses the disproportionate burden on regional providers while maintaining regulatory safeguards, which creates a net benefit. Furthermore, the Department explains the amendments under Option 2 that provide greater clarity generate additional benefits. Therefore, Option 2 performs better than both the base case and Option 1.

The Department explains that as Options 1 and 2 impose regulatory requirements, both options score negatively for **incremental costs of regulation**. The main cost drivers across the two options are from vehicle mileage limits, patient loading limits, equipment requirements and in-person training requirements (for Option 2 only). The Department estimates that Option 1 will result in a cost of \$5.9 million over 10 years. For Option 2, the Department explains that while costs will decrease with less restrictive mileage and

patient load limits, the in-person training requirement leads to a slight overall increase in costs. As such, Option 2 is estimated to cost \$6.4 million over 10 years.

Implementation and Evaluation

The Department explains that the proposed Regulations will take effect prior to 19 April 2026. The Department does not anticipate significant challenges for NEPT service providers to implement the changes proposed under Option 2 as they do not differ substantially from the current Regulations. The Department explains that it will support implementation to ensure that the final Regulations take effect with minimal disruption to service delivery.

The Department explains that the proposed Regulations will require more comprehensive reporting, which will inform the evaluation of the Regulations. The Department explains it will also use data collected from the proposed Regulations to inform its response to a separate review into the NEPT system.

Should your team wish to discuss any issues raised in this letter, please do not hesitate to contact Better Regulation Victoria on (03) 7005 9772.

Yours sincerely



Katrina McKenzie

Commissioner for Better Regulation