



NORTHERN TERRITORY VETERINARY SERVICES

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To Whom It May Concern,

Thank you for the opportunity to provide feedback on the proposed Centrepay reforms, specifically those relating to changes in Service Categories and Conditions. We commend the addition of **Veterinary Services** as a distinct Service Reason. This is a long-overdue and much-needed recognition of the essential role veterinary care plays in maintaining animal welfare, public health, and social wellbeing—particularly for remote and disadvantaged members of the community.

However, we are writing to **strongly object to the proposal to introduce mandatory target amounts** for veterinary services. We believe this requirement will have serious unintended consequences for both clients and veterinary service providers, and may ultimately **reduce access to care** for some of Australia's most vulnerable animals and owners.

1. Veterinary Treatment Costs Are Unpredictable

Veterinary medicine does not lend itself to upfront cost certainty. Animals' conditions are often complex, and their treatment needs often evolve over time as they respond — or fail to respond — to therapy. For example:

- A vomiting dog may respond to a simple injection or may require multiple days of fluid therapy, imaging, bloodwork, medication and hospitalisation.
- A lame cat may need only medication or may need surgical repair of a fractured limb dependent on diagnostics.
- A parvovirus case might recover with supportive care in 48 hours, or might require seven days of intensive hospitalisation.

As a result, it is not possible to determine the full cost of care at the outset — especially for urgent, surgical, or complex medical cases. Requiring a **new deduction authority every time the treatment plan changes or costs increase** is not only inefficient but also emotionally taxing for owners and can create delay in urgent care.

This is particularly challenging in **remote and disadvantaged communities**, where clients often face **literacy barriers, language differences**, or other vulnerabilities. Many of our clients:

- Are Indigenous and speak English as a second or third language.

- Are elderly or have limited education.
- Experience anxiety when asked to sign unfamiliar or complex paperwork.

Asking them to **sign multiple documents** throughout a course of treatment — sometimes during highly emotional times when their animal is sick or in pain — can be **confusing, distressing, and culturally inappropriate**. This could unintentionally lead to **delays in treatment, withdrawal from care, or mistrust in the system**.

In our experience, clients trust us to act in their and their animal's best interests. Introducing rigid paperwork requirements for every payment change undermines that trust and creates unnecessary confusion or friction during already difficult moments. They do not know why they should have to complete another form that they have already completed.

2. Fixed Target Amounts Will Undermine Account Management and Payment Discipline

Currently, veterinary practices like ours allow Centrepay clients to **pay off accounts over time**. While this involves financial risk to the clinic, it allows clients to access timely care when they cannot afford to pay upfront.

To responsibly manage this risk and **encourage timely repayment**, most veterinary practices — including ours — apply **account fees** to all overdue accounts. These fees are not intended to punish but to:

- Motivate clients to **pay their account as soon as practical**.
- Ensure clients who take longer to pay are contributing toward the administrative cost of managing long-term debts.
- Protect the financial viability of the clinic, especially in remote areas where overheads are high and margins are tight.

Under the proposed reforms, **clients will be able to alter their deduction amount without consequence**. Without incentives to repay the debt promptly or within the agreed term, clients may:

- **Stretch payments over extended periods**, knowing there is no penalty for doing so.
- **Underpay or reduce contributions**, resulting in lingering debt that the clinic must chase.
- Assume the veterinary clinic will simply “write off” any unpaid balance — which in our experience, unfortunately happens frequently leading to reduced viability of providing such services

In the past financial year, **we have written off over \$100,000 in unpaid Centrepay-linked accounts** due to deduction cancellations, reductions, or insufficient payment amounts. This

figure directly affects our ability to hire staff, maintain services, and continue treating animals in need.

Additionally, it is often **difficult or impossible to contact a client** who has changed or cancelled their Centrepay deductions without notifying us. These clients may return weeks or months later with a new animal in need of care, assuming their previous account has been settled. It is **distressing for both staff and owners** when they are told that treatment may be delayed or refused due to an **outstanding balance** they believed was being paid off. This leads to poor animal welfare outcomes, damaged trust, and further emotional strain.

The introduction of fixed deduction amounts — without any safeguards — will likely **discourage client accountability, reduce the effectiveness of payment arrangements, and increase bad debt across the veterinary sector**. This is particularly concerning in rural and remote clinics like ours, where Centrepay is often the **only** reliable payment option for low-income clients.

3. Alternative Options That Balance Client Protection and Business Sustainability

We propose the following alternatives to mandatory target amounts:

a. Locked Deductions

Deductions should not be alterable without consent from both the **client and the business**. This would prevent well-meaning but misguided changes by Centrelink staff or clients choosing to leave clinics unpaid, and clients being surprised at a later date by outstanding balances.

b. Direct Payment Pathways

Centrelink could disburse funds directly to the veterinary business and assume the risk for repayment, similar to how some housing and utility payments are handled. This ensures continuity of care while protecting businesses from default.

c. Verified Client Payment Limits

If Centrelink could provide practices with a **client-specific maximum monthly payment capacity**, we could help create treatment and therefore payment plans that are realistic, practical avoiding unrealistic debt accumulation.

4. Veterinary Services Are Essential for Human and Animal Wellbeing

In communities like **Alice Springs** and **Katherine**, pets are more than companions — they are often essential to their owners' **emotional, cultural, and mental health wellbeing**. We regularly see clients consider their animals' health as a major priority. Many of our Centrepay users:

- Live on income support with no other means of payment.
- Are in crisis situations, including domestic violence, homelessness, or severe mental illness.
- Rely on their animals as therapy or protection.

Without Centrepay, many of these clients could not afford to treat their animals. Without **flexible and workable Centrepay policies**, veterinary practices may be forced to **decline service** or **refer to euthanasia** for conditions that are otherwise treatable.

This is not the outcome any of us want.

Final Note

Centrepay has been a **lifesaving tool** for animals in remote Australia. Any changes to the system must reflect the **complex realities** of veterinary care and the **financial structures** of the businesses that provide it.

We urge Centrelink to reconsider the proposal to enforce target amounts for veterinary services, and instead work with the veterinary sector to find practical solutions that support both client protection and service sustainability. We currently have over 600 clients who could be severely disadvantaged with these changes.

We are open to further consultation, collaboration, or providing data to support these recommendations.

Sincerely,
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