



CATHOLIC HEALTH

Australia

12 January 2012

Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Secretary

Personally Controlled Electronic Health Records Bill 2011 and one related bill

Catholic Health Australia (CHA) supports an electronic health record that will allow personal health information to be aggregated, in summary form, into a single record that can be used by consumers and their clinicians alike to make more informed decisions about ongoing treatment and management options.

CHA endorses the *Bill* before the Inquiry, with two exceptions. We recommend the Committee give consideration to the likely implications of the provisions within the *Bill* that allows for optional use by consumers and health service providers of the proposed electronic health record. We also encourage the Committee to consider the role of non-government health providers in governance arrangements as outlined in the *Bill*.

Several health services within the CHA network have participated in the *Wave 2 e-health initiative*. They anecdotally report support from both clinicians and consumers for shared health records.

There are a number of current trends in health care that will increase the usefulness of having a shared, consumer controlled electronic health record into the future. These include:

- demographic changes and population ageing leading to increasing numbers of people with complex and multiple comorbidities who will be receiving treatment and health management in a range of settings (including acute, residential aged care and community environments);
- increasing specialisation of providers;

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- developments in diagnostic technologies;
- technological change that will increasingly allow consumers to manage their health conditions whilst remaining in the community, whether independently or supported, interspersed by visits to hospitals and other treatment centres for brief and often very technologically intensive interventions.

Whilst the above trends suggest that the delivery of health care will likely become ever more fragmented, the adoption of personal electronic health records can act as a counterbalance - assisting consumers and their care providers to ensure that care is more coordinated and integrated.

The introduction of personally controlled electronic health records will also empower consumers to have greater knowledge of and input into their own health care and management. This is an important benefit in its own right, in addition to the potential improvements in safety and quality, and savings from possible reductions in adverse events.

The *Bill* proposes that participation in use of the personally controlled electronic health records will be optional for both consumers and providers alike. The arguments for allowing uptake to be optional are sound. However, a likely consequence of this optional participation is that in the absence of other incentives, take-up is likely to be relatively slow. Slow uptake risks undermining the likely success of the system, and the Committee should give consideration to the merits of the case for optional participation and consider if other measures to encourage uptake should be recommended.

Hospital providers will incur costs to participate in the scheme, with likely initial participation by both consumers and clinicians limited until such time as the benefits of the electronic health record become evident. Hospital providers are in fact being asked to carry a financial risk in the hope that by enabling hospital technology systems to utilise the potential benefits of the electronic record, sufficient clinicians and consumers will themselves voluntarily utilise the record in order for a hospital's capital outlay to be justified. A critical mass of participation by both health care providers and consumers will be required for the system to become both cost efficient and successful. If such a critical mass is not achieved, the system will not be efficient and it will not succeed.

Because of the uncertain uptake of the record and the unquantified consequences of the proposed optional system, CHA proposes that one or two discrete geographic test regions be selected for an intensive effort to gain maximum participation of both providers and consumers. This could be done through providing funding through a Medicare Local to enable it to bring in all health care providers within its region, and to simultaneously encourage maximum consumer participation. CHA would suggest at least one city-based and one rural-based Medicare Local be selected for this purpose. If the benefits of the electronic health record can be proven across a selected test region, promoting voluntary uptake in other parts of the country will be made simpler. Roll out in select test regions would also allow for any technical challenges that might arise to be addressed in the early stages of the record's uptake.

The reality of implementing major technology and public policy changes is that the provision of the initial infrastructure is only the start of its implementation and ongoing use. CHA notes that funding

for the development of the record's rollout is currently set to conclude on 30 June this year. Ideally, funding support would continue beyond 30 June to enable proper utilisation of the record by way of user training and ongoing technology assistance programs.

CHA also notes that the governance structures outlined in the legislation are heavily weighted to public sector providers, and State and Territory governments. Forty percent of hospital episodes in Australia, together with the vast majority of primary care and allied health care, is provided by the non-government sector. It is important that the non-government sector be given appropriate weighting in governance arrangements. The legislation as currently outlined does not do this.

Should it assist the committee, I would be happy to expand on these remarks. For further information, please contact Patrick Tobin, Director Health Policy, by email at patrickt@cha.org.au or by phone on 02 6203 2777.

Yours sincerely

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Chief Executive Officer