



Strengthening Primary Care – Transforming digital health

The Australian Government will invest \$503 million to transform digital health in Australia, resulting in a modern, integrated health system. These investments include:

- \$301.8 million for the next wave of My Health Record (MHR), leveraging the connections already in place and ensuring a more coordinated healthcare future for Australia while also stimulating economic recovery from COVID-19
- \$87.5 million for operational funding for the Australian Digital Health Agency, with a focus on implementing lessons learnt from the COVID-19 pandemic to help improve system preparedness and responsiveness
- \$32.3 million for continued funding for the 2018–2022 Intergovernmental Agreement on National Digital Health (IGA). This will ensure interoperability within Australia's national digital health infrastructure to deliver improvements to health system quality and safety, accountability, transparency and patient-centred healthcare
- \$45.4 million to roll out electronic medication charts in residential aged care facilities, drive utilisation and integration of MHR, and establish digital support for transitions between aged care and hospital settings, and
- \$36 million for streamlining reimbursement approvals for health products through the Health Products Portal (HPP). This change will allow the sector to digitally manage applications to the Pharmaceutical Benefits Advisory Committee (PBAC), Medical Services Advisory Committee (MSAC), and the Prostheses List. This will create a streamlined application process and faster patient access to new therapies and treatments.

Why is this important?

The MHR system is already embedded in Australian healthcare settings and plays a central role in health service delivery. More than 23 million Australians, or more than 91% of all eligible patients, have a MHR. More than 89% of all MHRs contain critical healthcare data. The next wave will accelerate a new surge of innovations to ensure a more coordinated healthcare system building confidence in consumers and health professionals to manage their care day-to-day.

It will also address *Recommendation 68* of The Royal Commission into Aged Care Quality and Safety to support universal adoption by the aged care sector of digital technology and MHR. The Government will incentivise the roll out of electronic medication charts in residential aged care facilities, working with the sector to drive use and integration of MHR and establishing digital support for transitions between residential aged care and hospital settings.

The funding for the IGA continues the implementation of Australia's *National Digital Health Strategy – Safe, Seamless and Secure*. The agreement between the Commonwealth and state and territory governments will support a number of key national digital health infrastructure initiatives, including the National Healthcare Identifiers Service, the National Clinical Terminology Service and the National Authentication Service for Health.

Enhancing the HPP will reduce red tape for the medical technology sector which each year has around 8,000 administrative interactions between industry and Government. The end-to-end digital capability outlined in the measure will migrate all submissions to the MSAC and the Prostheses List Advisory Committee (PLAC) within the HPP.

Who will benefit?

The next wave of MHR improvements will impact the 23 million Australians who have a MHR and healthcare providers using MHR to support modern and adaptive healthcare delivery to become one of the first countries in the world to enable its people to hold their healthcare in their hand.

Ongoing support for the IGA is contributing towards significant improvements in the quality and safety of healthcare, the efficiency of the Australian health system and the health and wellbeing of all Australians.

Funding to transition to electronic medication management in residential aged care facilities is expected to result in a reduction in the number of unnecessary medicines prescribed and dispensed per resident in aged care and will reduce adverse medication incidents.

Development of digital support for transition of care processes will enhance patient safety, by providing both hospital clinicians and their regular GPs and residential aged care staff with necessary information concerning their treatment.

Increased adoption and utilisation of the MHR will provide patients, families and clinicians involved in aged care additional oversight concerning their health information, and additional data to support development of targeted government initiatives.

By digitising the application and assessment processes for the PBS, MSAC and Prostheses List applications, the pharmaceutical and medical device sector will save around \$157 million each year. Approximately 400 companies across the pharmaceutical industry, medical colleges, device manufacturers, diagnostic and other technology companies, including Australian companies such as Cochlear Limited and CSL, will benefit from the change.

Flow-on benefits will reach medical software vendors, doctors and specialists, other health practitioners and the general public as recipients of government-subsidised medicines, medical services and prostheses. Policy makers and health professionals will also benefit from the systematic and transparent record keeping, and from associated data analytics.

How much will this cost?

The Australian Government is investing \$503 million over 4 years, from 2021–22.

Funding will be provided to build an evidence base to assist in improving transitions between health and aged care settings. This will include studies on avoidable hospitalisations and emergency presentations and on allied health workforce planning.