Volume 4 / Issue 3 / 2009 - Features

Healthcare IT in Australia

The year 2009 has witnessed a flurry of initiatives in Australia to get its healthcare infrastructure e-Health ready. As in Europe or the US, however, the process has seen some steps forward, others backward, and quite a few to the side.

The issue of most concern in Australia at the moment is that the government seems ready to leave e-Health, not least the Electronic Health Record, to the 'market'.

Tosh Sheshabalaya,

National e-Health Strategy Endorsed in December

A National e-health strategy, formulated in a report by consultants Deloitte Touche Tohmatsu and endorsed by the Australian Health Ministers' Conference in December 2008, noted that up to 18 per cent of medical errors resulted from lack of access to patient information. These in turn entailed a cost to the country of about AUD 3 billion a year "in avoidable expenditure – money that could be better spent on health demands driven by an ageing and sicker population."

Health, noted the report, is "a knowledge industry with information being central to all aspects of care planning, management and delivery." In spite of this, the primary information tools used to manage health care in Australia "still revolve around pen, paper and human memory."

The Deloitte report recommended that Australia establish a strategy of alignment across government jurisdictions in four different areas:

Ó Implementing the national health information highway, with appropriate infrastructure and rules to allow the secure sharing of information

Ó Stimulating investment in high-priority IT systems

and associated tools

Ó Encouraging the health sector to use the tools

Ó Establishing an e-health governance regime

The report also went straight to the heart of the technical arguments for e-Health:

"In a complex, multi-point service delivery environment with hundreds of millions of encounters each year, reliance on largely manual processes and information flows creates the potential for errors and inefficiencies."

Fragmentation and Under-Funding

The Australian approach to e-health, like some countries in Europe, is to proceed via a phased and incremental build-out of existing clinical systems and communications platforms, but keep national goalposts and a full EHR as its target.

So far, in spite of several reports on the efficiency and safety gains of a national e-health system, different parties have pursued their own agendas, resulting in a fragmented infrastructure.

Although the inter-State Council of Australian governments approved AUD 218 million in investments for the National EHealth Transition Authority (NEHTA) in 2008, the lack of a national plan has entailed significant federal underfunding.

NEHTA is the enabling agency responsible for establishing a uniform IT infrastructure across the country and has committed to deliver a unique healthcare number for every Australian resident by 2010.

Large-Scale e-Health Applications Promised in January …

In January 2009, NEHTA announced that large-scale applications of a pan-Australian e-health system would start during the year, and do so as quickly as possible.

The first areas identified for action by NEHTA included hospital discharge summaries and electronic medication management.

… But Government Retracts Soon After

In spite of the burst of NEHTA initiatives in January, however, a month later Federal Health Minister Nicola Roxon announced that NEHTA would continue with its foundation work on interoperability and information security, rather than proceed with rolling out operational applications. Worse, full details of the Deloitte-advised National e-health strategy remained under wraps – except for the summary information released in December.

This was a sharp about-turn from the enthusiasm shown personally by Minister Roxon at the Australian Health Ministers' Conference, which endorsed the e-health strategy and stated that it was "a practical framework" for further steps.

Advocacy Groups Step up Pressure

In the face of such official inertia and secrecy, patient groups and healthcare professionals have sought to force the government to change course.

Consumers Health Forum, an especially powerful advocacy group, notes that patients sought "access to their health information when and where they need it", and so "we're continuing to push for a full e-health record".

On its part, Australia's local healthcare IT body, the Medical Software Industry Association, has also raised its profile in anticipation of increased involvement in consultations over national e-health projects.

Physicians too are calling for more to be done. In January, the Australian General Practice Network (AGPN) called for its ehealth training programme to be extended after it comes to an end in June this year.

In February, heavier artillery support for e-health arose after the Australian Medical Association formally identified e-health infrastructure as one of three 'critical' priorities (alongside investment in GP training and for equipment at rural hospitals) for the Australian government's AUD 10 billion Health and Hospitals fund. In an official submission, the Association noted the need for "further investment in e-health infrastructure, particularly in hospitals, medical practices, aged care, pharmacy and other allied health practices" and said this was indispensable "to fully enable the sharing of patient information electronically in Australia."

The Health and Hospitals Fund is for investment in health and hospital facilities and equipment, medical technology and major medical research facilities. Moneys in the Fund can also be used for information management and technology systems installation.

Leaking 'Secrets' in the e-Health Strategy

In spite of such pressures for accelerating real moves towards a national e-health system, the retrogressive momentum has strengthened in the months since. Both federal and state ministers have continued to keep a lid on costings and timetables.

In May, an activist physician and IT expert, Dr. David More, leaked several findings of the National e-health strategy report on the Internet. He noted that the full report had been available to all official health bodies for over six months, and that he found it "quite wrong in my view that the public does not get a chance" to debate its merits.

One point of interest: Deloitte called for the abolition of NEHTA, accompanied by the establishment of a fresh e-health entity with a more influential governing board and stronger regulatory powers. According to some observers, rearguard resistance by NEHTA may be part of the explanation on the secrecy surrounding the report, and the stalemate in the months since about recommended policy measures and actions. As discussed later, the latest Australian budget seems to have only strengthened NEHTA's hand.

Modest Investments Required

According to figures from the report released by Dr. More, the estimate for a national e-health infrastructure is just AUD 1.5 billion over five years, or AUD 2.6 billion for a 10-year rollout. This, stated the report, "represents a relatively modest investment", in the context of Australia's annual health spend of AUD 90 billion, two-thirds of it from the State.

In addition, Deloitte estimated "tangible benefits" from implementing the e-health strategy at AUD 5.7 billion in net present value terms over a timeframe of ten years.

The report identifies four key areas for investment on the fiveyear timeframe:

Ó Foundational activities: AUD 370 million (24.7% of overall outlays)

Ó E-health solutions: AUD 630 million (42%)

Ó Change and adoption: AUD 470 million (31.3%)

Ó Governance: AUD 30 million (2%).

Marginal Success in Pilots/Standalone Projects

The relative insignificance of the above numbers are all the more perplexing when account is taken of the over-AUD 5 billion spent over the past decade on e-health projects and pilots by Australia's government (at the federal and state levels). Overall, such an effort has resulted in only "marginal" success, according to the Deloitte report.

Worse, though some standalone projects have delivered encouraging results, almost none can be easily connected to other health systems or scaled up, the report observed.

The Risks Ahead: Scalability, Heterogeneity

"There is a point at which the number of these disparate systems will be so great, and integration so difficult," that gains from a future integrated system may become "prohibitively risky and expensive." In turn, this will undermine Australia's ability "to promote equity in health outcomes, drive meaningful safety and efficiency gains, and ensure safeguards for personal health information."

Such an explicit warning on the risk of technological heterogeneity (alongside an inability to scale up and interconnect) may have powerful resonance in Europe. Europe too faces a plethora of competing bottom-up e-health initiatives, moving forth at different speeds, and doing so ironically because of top-down EU-level legislation on an e-health framework.

An e-Health Bombshell

As Healthcare IT Management went to press, Australia, in a little-noticed move, dropped an e-health bombshell after the government seemingly endorsed moves by the likes of Google and Microsoft to foray into the field of health records.

At the end of April, the National Health and Hospitals Reform Commission unexpectedly rushed out a paper which found that "commercial IT developers" were best placed to deliver personal e-health records to patients, and do so in an "open, competitive market." This was a death blow to concerns about the specific security requirements of a national health information system and more broadly, of personal healthcare data.

For seasoned observers of technology policy, signs of a buildup to this state-of-affairs were present ever since the Australian government clamped down on releasing the findings of the Deloitte National e-health strategy report.

Security and Privacy

Federal Health Minister Roxon has since mandated civil servants to draw up new rules and regulations, and "develop a legislative and regulatory framework" so that physicians and public health providers can share sensitive patient data, and to overcome security/privacy concerns that have so far restricted secondary use of personal medical information.

The Department of Health says it will also "support secure messaging services to assist the widespread take-up of electronic referrals, prescribing and discharge summaries, and develop policy parameters for a long-term approach to individual e-health records."

Not astonishingly, the areas of prescribing and hospital discharge summaries were precisely those identified for largescale application rollouts by NEHTA as a means to establish a homogeneous IT infrastructure across the country.

Pragmatism and Bureaucracy

Australia's stance on e-health and EHRs may well turn out to be the most pragmatic in the long run. Rather than the government, it will be the Australian patient who pays commercial providers of EHRs to build and maintain their health records.

However, the ease and haste with which long-running fears about patient data 'security' were jettisoned suggests that, across the world, the e-health debate is at least partly dictated by technology for its own sake, and that neither politicians nor civil servants have the expertise to set a realistic agenda.

In the typical diction of any bureaucracy, the Australian government notes: "Appropriate levels of protection of an individual's health information will help provide consumers with confidence that their information is managed in a secure environment."

The Next Steps

The Australian government's federal budget announced in mid-May laid to rest any further speculation about its commitment to the core recommendations in the Deloitte National e-health strategy report.

Instead of the AUD 1.5 billion five-year budgetary outlays recommended by the report, the Government earmarked AUD 57 million to "support the health sector to safely exchange health information between authorised healthcare providers, with the long-term goal of every Australian having access to their own individual e-health record." Funding for these items is set to drop in stages to AUD 27 million in 2012-13, underscoring the fact that it saw patient-funded EHRs by "commercial IT developers" in an open market as the way forward. The only e-health application to be funded is an AUD 1.2 million clinical information network for Tasmania, for which a paltry AUD 300,000 has been allocated in this year.

On the other hand, an AUD 10 million outlay for e-health 'efficiency programs' has been withdrawn (also scrapped is a total of another AUD 25 under the heading over the next two years).

Last but not least is the dumping of the Deloitte recommendation on NEHTA. The budget unequivocally states that NEHTA will be in the driver's seat as far as the goal of "improving clinical decision-making" is concerned.

Healthcare IT Tips

Alongside the absence of any meaningful e-health funding commitments (bar the AUD 1.2 million Tasmanian clinical

information network), the latest Australian budget commits AUD 300 million to practice incentive programs (or PIPs) for general practitioners (GPs).

Included here is a controversial secure messaging PIP which will enable an estimated 4,000 to 5,000 GPs to secure AUD 50,000 per year in grants by using "approved software".

Such approvals do not yet exist.

To qualify for the grant, GPs will be paid as long as their software provider has agreed to participate in NEHTA-led workgroups which set standards for next-generation platforms.

These workgroups too have yet to be formally set up. Indeed, the body responsible for national health IT standards is the IT-014 committee of Standards Australia (which establishes standards for all industries).

Meanwhile, vendors of secure messaging do not need to demonstrate any security features, not even the HL-7 compliance for electronic messaging which NEHTA adopted in 2007.

Since the year 2000, Australian GPs have received significant subsidies to use PCs and connect to the Internet. However, given the lack of a national e-health infrastructure, patient information remains largely locked in individual PCs.

Published on : Wed, 4 Mar 2009