PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000001

Table 3.5: Telehealth risks considered for treatment by Health, March 2020 to July 2022

Spoken

Hansard page number: 36

Chair: Julian Hill

Question:

CHAIR: On that, table 3.5 was between March 2020 and July 2022. It would be good if you could take on notice providing us with updated data in a similar kind of format. It depends how easy it is to pull off. If you've got an existing report that's similar and saves you work, great. If you've got something to December last year, that would be better. But be sensible. Talk to the secretariat. We're not trying to give you a whole lot of work. Auditor-General?

Answer:

Telehealth risks considered for treatment by Health, March 2020 to 22 February 2024
(grey shaded text indicate updates from the information published in the Australian National Audit Office (ANAO) report)

Potentially non-compliant behaviour approved for treatment	**Estimate of population of providers potentially exhibiting non-compliant behaviour[1]**	**Initial number of providers approved for compliance action**	**Endorsed treatment strategy for the risk**	**Compliance activity undertaken[3]**	**Treatment outcomes[4]**
Providers submitting claims for multiple family members on the same Medicare card without providing a service to each person ('family servicing')	40	11	Referred for possible investigation, or alternative audit action if it is determined the case is not suitable for investigation.	One provider contacted for alternative audit action. Review of one provider ongoing. *[Analysis of claims and contact with patients for 9 providers confirmed services were rendered.]*	

Potentially non-compliant behaviour approved for treatment	**Estimate of population of providers potentially exhibiting non-compliant behaviour[1]**	**Initial number of providers approved for compliance action**	**Endorsed treatment strategy for the risk**	**Compliance activity undertaken[3]**	**Treatment outcomes[4]**
Co-claiming multiple telehealth and/or face-to-face attendances for the same service	17	7	Stage A: To be evaluated for possible referral to the Professional Services Review	5 providers interviewed regarding telehealth concerns. One provider sent letter outlining telehealth concerns. *[Analysis of claiming for one provider following data refresh showed concerns did not remain and interview did not progress.]*	All 5 providers addressed the department's concerns following a 6-month review after interview. One provider provided a written submission satisfying the department's concerns prior to interview.
		13	Stage B: Referred for alternative audit action	13 providers contacted.	8 providers submitted voluntary acknowledgements of incorrect payments and debts were raised.

Potentially non-compliant behaviour approved for treatment	**Estimate of population of providers potentially exhibiting non-compliant behaviour[1]**	**Initial number of providers approved for compliance action**	**Endorsed treatment strategy for the risk**	**Compliance activity undertaken[3]**	**Treatment outcomes[4]**
Potential non-compliance with COVID-19 telehealth continuous care requirements[2]	23,149	17	Stage 1: Referred for audit	16 providers audited. One provider escalated to Practitioner Review Program intervention.	16 providers had debts raised due to audits identifying incorrect claiming. One provider addressed the department's concerns following a 6-month review after interview.
		28	Stage 2: Referred for audit	26 providers audited.	19 providers had debts raised due to audits identifying incorrect claiming.
		730	Stage 2: To receive a targeted letter	391 letters sent. *[Difference in initial numbers identified and final letters sent related to refreshed data and changes in item requirements.]*	197 providers submitted voluntary acknowledgements of incorrect payments.
		9,465	Stage 2: To receive a generic (non-targeted) education and awareness raising letter[3]	Did not proceed. *[Following refreshed data and changes in item requirements, the department focussed on education regarding MBS requirements including through website updates.]*	

Potentially non-compliant behaviour approved for treatment	**Estimate of population of providers potentially exhibiting non-compliant behaviour[1]**	**Initial number of providers approved for compliance action**	**Endorsed treatment strategy for the risk**	**Compliance activity undertaken[3]**	**Treatment outcomes[4]**
Claiming a more expensive COVID-19 telehealth item than the actual service provided ('up-coding')	349	6	Stage A: To be evaluated for possible referral to the Professional Services Review	6 providers interviewed regarding telehealth concerns. *[In-depth analysis of claiming for 7 providers showed claiming patterns were explicable.]*	4 providers addressed the department's concerns following a 6-month review after interview. The Director of Professional Services Review was requested to review 2 providers for concerns inclusive of telehealth both of which were accepted.
		7	Stage B: To be evaluated for possible referral to the Professional Services Review		

Potentially non-compliant behaviour approved for treatment	**Estimate of population of providers potentially exhibiting non-compliant behaviour[1]**	**Initial number of providers approved for compliance action**	**Endorsed treatment strategy for the risk**	**Compliance activity undertaken[3]**	**Treatment outcomes[4]**
Claiming a more expensive COVID-19 telehealth item than the actual service provided ('up-coding')		3	Stage C: Referred for treatment under the Practitioner Review Program	2 providers in treatment. *[In-depth analysis of claiming for one provider showed claiming pattern was explicable.]*	
		6	Stage C: Referred for alternative audit action	6 providers contacted for alternative audit action.	1 provider submitted voluntary acknowledgement of incorrect payments and debt was raised.
Prescribed Pattern of Services – providers rendering 30 or more telehealth services on 20 or more days in a 12-month period[5]	8	8	Referred for treatment under the Practitioner Review Program	The Director of Professional Services Review was requested to review 8 providers all of which were accepted. This is a legislated requirement and there is no discretion or period of review.	
				Summary of outcomes The debt raised for all interventions totalled $1.43 million. Behavioural change measured up to 2022-23 in accordance with the department's approved methodology showed savings of $14.6 million following intervention for the activities outlined above.	

Providers with comparatively high volumes/proportion of telehealth items compared to face-to-face consultations	Telehealth related risks identified by the department for which assessment is ongoing to estimate potentially non-compliant behaviour and determine potential compliance activities.
Claiming for services accessed by patient through online platforms	

Note 1: This column shows the number of providers exhibiting a pattern of claiming considered under the risk at a point-in-time. They do not represent a confirmed assessment of the prevalence of a non-compliant pattern of claiming. The Department of Health and Aged Care advised the ANAO that the final threshold for intervention considers analysis and research, medical advice and stakeholder input. This then results in the number of providers recommended to be approved for compliance action.

Note 2: The continuous care requirement refers to the requirement for a telehealth provider in general practice to have a pre-existing clinical relationship with a patient. On 20 July 2020 Health reintroduced a requirement that providers must have a pre-existing clinical relationship with a telehealth patient, defined as one face-to-face service in the preceding 12 months.

Note 3: Once providers are approved for specific compliance activities, teams review each individual provider's data, circumstances and compliance history which may reduce the number of actions taken.

Note 4: All providers contacted for alternative audit action or sent targeted letters have their claiming behaviour reviewed under the case escalation protocol. Where claiming behaviour has not changed following contact, further compliance activities are considered.

Note 5: Legislation enacting this prescribed pattern of service came into effect on 1 October 2022. Providers identified as breaching this requirement are referred directly to the Director of Professional Services Review.

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000002

Number of prosecutions relating to telehealth

Spoken

Hansard page number: 36

Deputy Chair: Linda Reynolds

Question:

Senator REYNOLDS: One thousand individual providers or 1,000 transactions?
Ms Quinn: Individual complaints or tip-offs that have been received. What I don't have, but I could take on notice if you like, is whether we have any prosecutions that are proceeding.
CHAIR: That was my next question. Alright, take it on notice.
Senator REYNOLDS: And how many providers, so 1,000 tip-offs about 1,000 different providers or substantially lower?
Ms Quinn: It's definitely less than 1,000 and I don't have the number by provider, sorry.

Answer:

Two prosecutions have been successfully concluded that involved fraudulent claiming of telehealth or phone attendance MBS item numbers.

In addition, the department currently has 20 active matters relating to possible fraudulent claiming of Telehealth MBS items numbers;

- 12 cases are currently being investigated where the tip-off records an allegation of claiming of telephone consultation or telehealth items where a service wasn’t provided.
- 8 cases are awaiting assessment where the tip-off records an allegation of claiming of telephone consultation or telehealth items where a service wasn’t provided.

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000003

Project and program management

Written

Hansard page number:

Chair: Julian Hill

Question:

How does Health determine what needs to be managed as a project or program?

Is there an appropriate framework within Health for project and program management?

A) Do the framework(s) incorporate risk management, implementation planning and evaluation?

B) How does Health ensure compliance with the framework(s)?

Answer:

The Department of Health and Aged Care has a project management framework that articulates the characteristics of a project. The Senior Responsible Owner, in consultation with the relevant Project Management Office and policy area, must determine whether a departmental or government initiative needs to be registered as a project. Although the department does not have a program management framework, many of the disciplines and approaches in managing programs are similar to managing projects, such as clear accountabilities, the need for program logic, appropriate governance, and monitoring and assurance around delivery.

A senior governance committee, the Program Assurance Committee, drives excellence in Program delivery based on formal Administered Program Principles:

- across all Health programs, which are mapped in the approved outcomes and program's structure reflected in the department's Portfolio Budget Statements; and
- for both ongoing delivery of programs and the implementation of new programs and measures.

The project management framework incorporates risk management, outlining that project risks are to be managed in-line with the department's Risk Management Framework and Risk Management Policy. The project management framework also incorporates planning, implementation, and evaluation.

The Senior Responsible Owners are accountable for ensuring their projects comply with the applicable departmental frameworks. The department's internal audit function includes both light touch and more in-depth activities to ensure compliance with relevant departmental frameworks including the Project Management Framework.

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000004

Legal risk assessment and mitigation relating Medicare benefit.

Written

Hansard page number:

Chair: Julian Hill

Question:

What were the consequences of not assessing the legal risk mentioned in Box 3 (relating to agreement to assign a Medicare benefit)? (p.49)

A) How could have the risk have been better assessed and mitigated?

Answer:

- Not assessing legal risk introduced uncertainty about the legal authority for payments. Specifically, when there is uncertainty about the requirements of Section 20 of the *Health Insurance Act 1973* (HI Act) not being fulfilled, then there is a risk that no bulk-billed benefit is payable.
- Further, Section 127 of the *Health Insurance Act 1973* (HI Act) provides that it is an offence for a practitioner to enter into an agreement with a patient for the assignment to the practitioner of the Medicare benefits in respect of a professional service, unless the practitioner first causes all required particulars to be set out in the agreement before a patient signs, and causes a copy of the agreement to be given to the patient as soon as practicable after they have signed.
- The HI Act stipulates that a bulk billed claim shall not be paid unless the claimant satisfies the Chief Executive of Medicare that the patient assigning their benefit retained a signed copy of the agreement.

- The consequences of a claim being paid where legal requirements were not met, and any attribution of liability, are considered on a case-by-case basis.
- In addition, the offence outlined in Section 127 will not apply if a practitioner has a reasonable excuse. Occurrences of suspected non-compliance are investigated on a case-by-case basis, considering the individual circumstances of the matter.

A)

- The Department of Health and Aged Care has acknowledged in its acceptance of ANAO recommendations the need for better documented and regimented risk identification and treatment, including legal risk.
- Assignment of risk ownership (to a Senior Responsible Officer in the Department) consistent with the Department's Health Risk Management Policy may have helped to diminish the referred legal risk in relation to the assignment of benefit for bulk billed services and accelerate options for its treatment. It is also important to consider the COVID-19 emergency context and the rolling complexities and priorities as the pandemic response evolved.
- The risks associated with non-standard assignment of benefit were referenced in advice to the government on options to make the expansion of MBS telehealth permanent, though this could have been more detailed and robust if legal advice had been sought sooner.
    - The Department notes the relative complexity and non-contemporary nature of relevant legal requirements relating to bulk billing, and revelations of stakeholders' variable understanding of them in consultation in 2023, may have precluded rapid treatment.
    - In response to ANAO findings, the Department has focused on getting correct and accurate legal advice to providers, commencing with updates published on Services Australia's website in September 2023. This has since been complemented with approved interim digital assignment options since December 2023.
    - Potential legislative amendments are being managed as a project following a request by the Minister for Health and Aged Care in July 2023 for options to modernise assignment of benefit.
- A current consultancy procurement with Sententia Consulting will inform the MBS Project Management Office for all future MBS projects. This will also assist with the development of an MBS Risk Analysis Model and stronger governance for material changes to the MBS.

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000005

ANAO report - telehealth services and extensions

Written

Hansard page number:

Chair: Julian Hill

Question:

The ANAO reported that Health was not required to prepare Regulatory Impact Statements for the introduction of temporary telehealth services and extensions due to an exemption granted in March 2020 in response to COVID-19.

A) Did problems arise because of this and how did Health address them?

B) Did this impact the planning and consequent advice to the government regarding the rollout of the permanent telehealth system?

C) What is Health doing to ensure compliance with budget policy requirements such as the completion of regulatory impact statements?

Answer:

- There were no problems or impacts to planning or advice on telehealth associated with special arrangements for Regulatory Impact Statements (RIS) in response to COVID-19.
- Where a RIS has been required for extensions of the temporary Medicare Benefit Schedule (MBS) COVID-19 telehealth items and then permanent telehealth items, it was undertaken and was assessed to have low regulatory impact.
- The creation and amendment of telehealth items does not fundamentally change the existing regulatory requirements in the *Health Insurance Act 1973* which providers accept as a condition of rendering Medicare-eligible services.

- While telehealth relates to health service delivery via technology, providers are responsible for their choice of solution and its compliance with relevant national and state laws for privacy and security.
- The Department of Health and Aged Care has a dedicated team that provides advice, assistance and training to staff to support the Department in meeting its requirements to undertake Impact Analysis (previously known as Regulation Impact Statements) under the Australian Government Guide to Policy Impact Analysis.

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee on Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000006

Health's criteria for determining when program evaluation is required.

Written

Hansard page number:

Chair: Julian Hill

Question:

A failure to plan for evaluation is a consistent theme in audits of the department (including in the Expansion of the Telehealth services audit). What are Health's criteria for determining when program evaluation is required? What does Health hold people to account for planning and conducting appropriate evaluation?

Answer:

Evaluation should be planned early during program development to ensure right questions are asked and useful data are identified and collected. The Department of Health and Aged Care's Evaluation Strategy: www.health.gov.au/resources/publications/department-of-health-and-aged-care-evaluation-strategy-2023-2026, provides a risk-based, strategic and whole-of-department approach for the planning and conducting of evaluations. The tiering system set out in the Strategy provides different degrees of oversight to individual program evaluations that are scalable and proportionate to the size, significance and risk profile of the programs. Evaluations of higher risk programs would have a proportionally higher level of oversight and evaluation resources.

A rolling schedule of evaluations using the tiering system will be developed to improve the accountability, coordination and quality of evaluation planning and conducting. This will ensure most important programs are evaluated.

The Department's Evaluation Centre is the department's internal evaluation consultant and has developed a suite of tools and guides to support the planning and conducting of high-quality program evaluation.

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000007

Inadequate consultation in relation to permanent telehealth and changes to MBS items

Written

Hansard page number:

Chair: Julian Hill

Question:

Findings by the ANAO determined that stakeholder consultation for permanent telehealth and changes to MBS items were not adequately undertaken, and that a key indigenous peak body (NACCHO) were not involved regarding specific policy settings.
B) How does Health gain assurance that state and territory governments are appropriately consulted about projects and programs that have state/territory implications?
C) What was the rationale for the consultation process you conducted for the permanent telehealth roll out?
D) Has your inadequate consultation affected the access of the indigenous community to permanent telehealth services?

Answer:
A)

- While acknowledging the feedback from the Australian National Audit Office (ANAO) in relation to consultation with National Aboriginal Community Controlled Health Organisation (NACCHO) on telehealth policy matters, the Department of Health and Aged Care notes that NACCHO attended regular GP Peak Body video conferences chaired by the Deputy Chief Medical Officer. More than 120 GP Peak Body meetings were held between March 2020 and August 2022, providing an opportunity for dialogue between the department and key stakeholders on matters relating to the COVID-19 response including discussion of Medical Benefits Schedule telehealth policy.

B)

- The department had regular discussions with states and territories on COVID-19 responses, including telehealth. Given the fast pace of changes to telehealth policy required during some periods of the pandemic to respond to identified risks, and the different telehealth policy objectives of the Commonwealth and some jurisdictions due to different health system responsibilities, there may have sometimes been a view that the Commonwealth did not adequately consult. More broadly, the MBS subsidises private health services, and states are responsible for public health services including through public hospitals. States are not MBS providers and determination of health system responsibilities and interactions between states and the MBS are agreed by all jurisdictions, through the National Health Reform Agreement.
- Specifically in relation to the COVID-19 response and MBS telehealth, high-level consultation with states occurred through National Cabinet, the Australian Health Protection Principal Committee, and National Partnership negotiations.

C)

- The ANAO summarises the widespread and targeted stakeholder engagements that informed the transition from temporary COVID-19 telehealth MBS items to permanent MBS items (Report: www.anao.gov.au/work/performance-audit/expansion-telehealth-services sections 2.30 – 2.36). Referred organisations and their memberships have responsibility for governance of healthcare providers, practices and medico-legal matters.
- The rationale for targeted consultation with peak organisations to inform permanent telehealth was to consider challenges and solutions to potentially perverse impacts arising from telehealth expansion, and potential fiscal impacts and low-value care models. Organisations engaged in these discussions were also responsible for the clinical governance and business or professional advocacy of telehealth providers.

D)

- The department disagrees with characterisation of consultation on telehealth as inadequate, especially in relation to the operating environment throughout the COVID-19 response.
- The department is unable to advise on the access to MBS services by First Nations patients generally, as this information is not routinely captured as part of administering the MBS program. However, the department notes that telehealth policies were and continue to be designed to minimise barriers to care by First Nations patients. This included the enabling of GP Health Assessments to be partially provided by telehealth during the COVID-19 response (e.g. MBS Item 92004), and exemptions to normal GP telehealth eligibility criteria for patients of Aboriginal Community Controlled Organisations (refer Factsheet: Medical Practitioners in general practice 1 January 2024 final.pdf (mbsonline.gov.au)).

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000008

Risk management in relation to policy advice and program design

Written

Hansard page number:

Chair: Julian Hill

Question:

How is Health getting assurance that risk management is incorporated into policy advice and program design?

Answer:

The Department of Health and Aged Care maintains a Risk Management Framework and Policy that align with the Commonwealth Risk Management Policy.

While the Secretary is ultimately accountable for the Department's performance in managing risk and the Executive Committee is responsible for setting the boundaries for risk-taking behaviour through defining risk appetite and tolerance levels, the responsibility for the day-to-day management of risk lies with staff at all levels. All staff must actively manage risks that are part of their day-to-day work by complying with the policy and framework.

The department requires adherence to Government requirements with respect to the completion of Risk Potential Assessment Tools (RPATs) for all new policy proposals with financial implications of $30 million or more over the forward estimates, and Australian Government Solicitor (AGS) assessment on the constitutional authority and legislative basis for spending initiatives.

To support compliance with this requirement business areas are required to obtain the current template from Cabinet when developing a new policy proposal.

In response to recommendation 1 from the Australian National Audit Office audit into the *Design and Implementation of Residential Aged Care Reforms*, the department is considering further controls to ensure adherence to Government requirements with respect to the completion of RPATs for new policy proposals.

To support staff understanding of requirements, the department delivered Budget process training sessions to over 1,950 attendees in 2023. The recordings of these sessions were also published on the department's intranet. This training will be continuously reviewed to ensure alignment with changes to the Budget Process Operational Rules, and will be actively promoted through departmental communications channels ahead of future Budget contexts.

In relation to the Medicare Benefits Schedule (MBS), the department's Medicare Integrity Taskforce is working to implement reforms to strengthen Medicare integrity and facilitate improved risk-based decision making. The Taskforce has begun to systematically address the vulnerabilities and disconnections identified in the Expansion of Telehealth Services Review and ensuring integrity risks are considered as part of the development of Medicare policy. This work will also help the department determine whether the RPAT is better suited for material MBS changes less than $30 million. In addition, the department is establishing a Project Management Office for changes to the MBS which will assist with the development of an MBS Risk Analysis. The findings from this analysis will be used to establish improvements to the implementation process for material changes to the MBS.

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000009

Policy proposal evaluation plan.

Written

Hansard page number:

Chair: Julian Hill

Question:

How does Health ensure that relevant policy proposals have an evaluation plan?

Answer:

The new policy proposal (NPP) template has a section on implementation and measuring success which is required for all policy proposals in the budget process. Measuring success requires the NPP to identify success measures, indicators, potential data sources and timing of proposed evaluation activities.

The Department of Health and Aged Care is formalising processes to ensure that policy proposals have a fit for purpose evaluation plan in place. This approach is consistent with the department's new evaluation strategy.

The Department's Evaluation Centre is the department's internal evaluation consultant and provides advice to program areas to develop a fit for purpose evaluation plan to monitor and measure outcomes of relevant NPPs (also see response to IQ24-000006).

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000010

Telehealth expansion model

Written

Hansard page number:

Chair: Julian Hill

Question:

The ANAO audit found that although the advice to government by Health was that the telehealth expansion to the whole population would be cost-neutral, the modelling approach used did not assume cost-neutrality and was based on seemingly outdated trends observed during the early pandemic.

A) How inaccurate did the modelling prove to be in terms of cost? What are the ongoing costs now?

B) What was the rationale for deciding to use the modelling you did and advising that the roll out would be cost neutral?

C) How did this decision effect the implementation of the permanent telehealth system?

Answer:

A

- The Department of Health and Aged Care cannot advise on specific inaccuracies relating to telehealth expenditure estimates, though these were routinely reconciled as part of regular estimates variations to the Medicare program, noting that it is a demand-driven appropriation.

- Updates to expenditure estimates throughout the COVID-19 response document the approach to develop accurate assessments of Medicare Benefits Schedule (MBS) telehealth impact.

Measure	Published $m	Context
$2.4 Billion health plan to fight COVID-19 • • Bulk-billed telehealth services	100.0 (contingency reserve)	March 2020 announcement
COVID-19 Response Package - guaranteeing Medicare and access to medicines - extension - extension of temporary COVID-19 telehealth services	111.6	2020-21 Budget
COVID-19 Response Package - guaranteeing Medicare and access to medicines - extension - extend telehealth until the end of 2021	204.6	2021-22 Budget
Guaranteeing Medicare - strengthening primary care - ongoing MBS Telehealth	106.0	2021-22 MYEFO

B

- Initial estimates of cost neutrality for telehealth assumed perfect substitution for services that would otherwise be provided in-person, attracting the identical rebate amounts.
- The uncertainty of the COVID-19 impact precluded estimates in relation to service demand. The potential for increased service demand was reflected in a $100 million contingency reserve, announced on 11 March 2020.
- Following the pandemic response and with telehealth use stabilising, it is assumed that most, but not all permanent telehealth services, substitute for a consultation that would otherwise happen in-person (additional detail in response to 'C' below).

C

- Estimates for extensions of the temporary telehealth items were complicated due to the limitations of observed data that required extrapolation based on only weeks or months rather than years, and challenges adjusting for recency effects including COVID-19 impacts and changes to the scope of items available.
- The final costing estimates for permanent telehealth were based on the most stable data for the longest period available while controlling for pandemic effects. Data for the full 2020-21 financial year was used, excluding the state of Victoria due to its significant second wave of infection and lock-down in mid-2020.
- Key inputs to iterations of telehealth costing estimates from 2020 onwards were based on the average services per working day and per patient, and the average benefit per service (i.e. volume and price). Updates to the telehealth costing model developed more sophisticated estimates of net impact after accounting for substitution of in-person care.

    - An extrapolation of pre-COVID data was compared to actual claims to estimate telehealth impacts to volume and price.
    - The impact of telehealth services was also scaled according to the proportion of telehealth services claimed in relation to the in-person consultations that phone or video can substitute for.

- The department's policy and costing were informed by targeted stakeholder discussions and collaboration with the Department of Finance ahead of the 2021-22 Mid-Year Economic and Fiscal Outlook decision to make telehealth permanent from 1 January 2022.

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000011

Performance monitoring/evaluation of temporary or permanent telehealth system

Written

Hansard page number:

Chair: Julian Hill

Question:

The ANAO reported in its audit that Health did not plan for the performance monitoring or evaluation of temporary or permanent telehealth.

A) How has this impacted the performance of Health in supporting the permanent telehealth system now?

B) Has Health undertaken retrospective planning for performance monitoring and evaluation of the telehealth system? How is the system now monitored?

Answer:

- While no specific reviews for the range of new telehealth services were planned at the point of implementation for permanent telehealth, this was not unusual for MBS changes as most MBS changes are subject to a 12 or 24-month post implementation review. Telehealth is currently being reviewed by the MBS Review Advisory Committee (MRAC) who will provide advice to Government at the end of March.
- For broader context, the telehealth MBS item descriptors are largely verbatim of equivalent face-to-face consultations.
    - Establishing telehealth as an alternative version of common consultations was assumed to build on an established foundation. Practitioners could offer telehealth without having to learn new clinical requirements for their services.

- Following implementation of permanent telehealth the Department tasked MRAC with monitoring of MBS telehealth, which was discussed at the August 2022 meeting. This was followed by a formal request by the Minister for a post-implementation review in November 2022 (refer to response to IQ24-000013 for updates on the progress of the MRAC post implementation review)

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000012

Broader review into the COVID-19 pandemic response and lessons learnt.

Written

Hansard page number:

Chair: Julian Hill

Question:

Based on the ANAO recommendation no. 3 in the audit regarding a broader review into the COVID-19 pandemic response and Health's consideration of lessons learnt for future pandemic preparedness, Health agreed in principle to a broader review of its response.

A) What will this review include?

B) When will the review present its findings?

Answer:

A) On 21 September 2023, the Prime Minister, the Hon Anthony Albanese MP, announced an independent inquiry into Australia's response to the COVID-19 pandemic. The purpose of the Inquiry is to identify lessons learned and provide recommendations to improve response measures in the event of future pandemics.

The Inquiry's Terms of Reference are broad, reflecting the complexities of Australia's COVID-19 response and the interfaces between Commonwealth, state and territory and community partners.

B) An Independent Panel has been appointed to conduct the Inquiry and will deliver its Final Report to the Australian Government by 30 September 2024. What is included in the Final Report will be a matter for the Independent Panel.

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000013

MBS Review Advisory Committee's post implementation review of the MBS telehealth arrangements

Written

Hansard page number:

Chair: Julian Hill

Question:

In response to ANAO recommendation no. 4 in the audit that Health finalise its plans to evaluate permanent telehealth, Health's submission to this inquiry refers to the MBS Review Advisory Committee's post implementation review of the MBS telehealth arrangements.
A) Can you provide any advice on the findings from this review, or an update on its progression?
B) Can Health provide this report to the Committee?

Answer:

- The independent clinician-led MBS Review Advisory Committee (MRAC) evaluation of telehealth services is well under way and is considering the telehealth efficacy, safety, and potential access issues.
- The most recent MRAC meeting to consider telehealth was 14 November 2023. A further meeting is scheduled for 6 March 2024.
- The MRAC has considered MBS data, systematic reviews commissioned by the Department and other relevant research, and feedback from targeted and public consultation:

  - A targeted consultation process held in June and July 2023 invited stakeholders' feedback on the MBS Review Taskforce telehealth principles, published in 2020. An invitation to participate was distributed to 45 stakeholders and 19 stakeholder submissions were received.
  - A six-week public stakeholder consultation on draft MRAC findings and recommendations was held between 25 September 2023 and 6 November 2023. More than 450 submissions were received. This was a focus of the last MRAC meeting on 14 November 2023. The draft MRAC findings and recommendations report can be found on the Medicare Benefits Schedule Review Advisory Committee Draft Report Consultation Hub website, under the Post Implementation Review of Telehealth MBS items.
- On 21 October 2023, Minister Butler agreed to extend the deadline for a final report until 31 March 2024.
  - Interim advice from the MRAC was submitted to the Australian Government at the end of 2023.
  - The extension of up until 31 March 2024 will provide the MRAC sufficient time to consider how the volume of public consultation feedback informs its final report.
- The MRAC's final recommendations will be considered by the Government and the final report will be published in due course.

PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee of Public Accounts and Audit

Policy and Program Design and Implementation

PDR Number: IQ24-000014

Policy proposal implementation plan

Written

Hansard page number:

Chair: Julian Hill

Question:

How does Health ensure that every policy proposal has an implementation plan?

Answer:

The new policy proposal (NPP) template has a section on implementation and measuring success which is required for all policy proposals considered in the budget process. This section includes key steps/deliverables required, timeline, any potential implementation issues and mitigation strategies to manage them (also see response to IQ24-000009).

The Department of Health and Aged Care project management framework also provides guidance in initiating, planning, delivering, closing and transitioning projects. The framework supports Senior Responsible Owners, Project Managers, project teams and Project Management Offices, to understand their responsibilities and effectively manage the project implementation, increasing the likelihood of success.