PARLIAMENTARY INQUIRY QUESTION ON NOTICE

Department of Health and Aged Care

Joint Committee on Public Accounts and Audit

PDR Number: IQ24-000042-55

Use and Governance of Artificial Intelligence Systems in the Australian Public Sector

Written

Chair: Julian Hill

Question:
All.

Answer:
The Department of Health and Aged Care (the department) has provided a table of consolidated responses at Attachment A.

Attachment A

#	Question	Response

1	For what purposes do you currently use AI in your entity, and do you have planned or likely future uses? Please summarise.	The department is participating in the Whole-of-Government Copilot for Microsoft 365 trial being managed by the Digital Transformation Agency (DTA).
		
		There are other Artificial Intelligence (AI) and machine learning projects in development within the department to assist in synthesising large amounts of data to enable insights driven decision making. The audience for these technologies are internal to the department.
		
		Specific projects in development include:
		
		• My Aged Care Program Continuous Improvement application which will identify emerging issues within the large volume of feedback the department receives about the My Aged Care Program.
		• Communicable disease horizon scanning tool, which will identify, from a large number of sources:
		  ○ information about international communicable disease outbreaks and trends which have specific relevance to public health and emergency response in Australia, and
		  ○ relevant published research articles.
		• Vaccine administration demand forecasting.
		• Chronic health conditions inference using linked administrative data.

2	Which legislative, regulatory and policy frameworks (including cross-Government policies) are relevant to your entity's use of AI?	There are several frameworks relevant to the department's use of AI. These include: • Portfolio legislation such as the *National Health Act 1953* and the *Health Insurance Act 1973* • The *Privacy Act 1988* • The Data Availability and Transparency Act 2022 • The *Protective Security Policy Framework* • Regulatory frameworks for software as medical devices administered by the Therapeutic Goods Administration (TGA) for the regulation of products that diagnose, prevent, monitor, predict, or treat disease or alleviate injury or disability. As per the department's response to question 9, the department's evaluation process for online AI services and software includes an analysis of the types of data involved, with a particular focus on the sensitivity of the information being processed.

Attachment A

#	Question	Response
3	What are your internal framework/policies for assessing the risks associated with the use of emerging technologies such as AI, specifically in the areas of security, privacy, ethics, bias, discrimination, transparency and accountability?	The department complies with relevant frameworks and policies used to assess risk associated with the use of emerging technologies. These include: • The *Privacy Act 1988* managed by the Office of the Australian Information Commissioner • The Department of Home Affairs' *Protective Security Policy Framework* (PSPF) • The Department of Finance's *Data Governance Framework*. The department is revising internal guidance for the responsible and ethical use of AI for departmental specific work. The department will continue to work with the DTA and Department of Industry, Science and Resources (DISR) to ensure guidance complies with the broader guidelines being developed for the use of AI technology across the Australian Public Service. The department is committed to sharing and releasing data ethically, safely, securely, and in accordance with legislation. The department uses the Office of the National Data Commissioner Data Sharing Principles to assess data access requests. These principles consider multiple aspects – not just what data is requested, but also the project for which it will be used, who will access the data, the environment in which it will be used and the potential outputs. For data access requests that involve AI technology, the department may employ additional controls to ensure relevant risks are managed effectively. For example, the department may review outputs generated through AI technology prior to information being disseminated or published.
4	What are the supply chain risks when using existing AI solutions or software?	The department is involved in consultation relating to the use of AI technology across the Australian Government. This consultation is being led by the DISR and the DTA. DISR's Safe and Responsible AI in Australia discussion paper states that some of the supply chain challenges relating to AI technology include system accountability, transparency and the validity and reliability of data used.

Attachment A

#	Question	Response
5	What additional controls been developed by your entity to manage: a. the broad risks associated with AI b. the risks associated with the design and implementation of systems using AI c. the risks associated with change management policies that arise from the use of AI.	The department has developed processes to block access to unendorsed technology accessed via departmental devices. The department follows the DTA guidance for using AI technology, including the interim guidance on generative AI for Government agencies. The department will continue to work closely with the DTA and DISR to ensure compliance with Whole-of-Government requirements for using AI technology. The department is currently participating in the Copilot for Microsoft 365 Whole-of- Government trial. No other AI technology is currently endorsed for use within the department. To mitigate potential change management risks, new technology is released in line with the department's Enterprise Change Management Framework. This framework provides a focused approach for managing change, through three phases: 1. Understanding and preparing for change 2. Designing, planning and implementing change activities 3. Evaluating and monitoring change adoption.
6	How do you manage regular updates to AI and supporting data?	The DTA and DISR have developed a draft AI assurance framework, which contains best practices for the management of AI and machine learning tools used within the APS. The department will participate in the pilot of the AI assurance framework for several projects that are in development.

Attachment A

#	Question	Response
7	What considerations or planning do you undertake for any additional capability required to implement AI?	The department ensures staff have an understanding of the risks and benefits that emerging technologies, such as AI, present. This informs how the department will support staff when new technology is made available. Prior to new technology being available, the department considers the potential productivity or financial benefits. Additionally, the department considers how a technology will meet the needs of the workforce, and what governance approach will ensure the protection of the department's people, assets, information and data. The department undertakes a cyber security risk assessment for all new technology. Additional assessments may be undertaken. This is dependent on the functionality the technology offers and can include privacy impact assessments where necessary. The department follows a defined change management approach to support staff to adopt and use new technologies. This includes leveraging a skilled workforce to develop training and guidance materials, as well as offering in-person and virtual support. Once new technology has been adopted by staff, training and support mechanisms remain ongoing. The department is participating in the AI in Government Taskforce pilot, including the Whole-of-Government Copilot for Microsoft 365 trial. As a part of this trial, mandatory training material provided by the Digital Transformation Agency has been rolled out to the trial participants. Ongoing information and support session are being provided to trial participants.

Attachment A

#	Question	Response
8	What frameworks have you established to manage bias and discrimination in any of your systems that use AI?	The DTA and DISR have developed a draft AI assurance framework for tools used within the APS that utilise AI and machine learning. The department will participate in the pilot of the AI assurance framework, applying this within projects being developed internally. For AI and machine learning based tools developed within the department, the department envisages that the following will be necessary to align with the AI assurance framework: • Implement the use of tools and methods for detecting and mitigating bias in data, and AI and machine learning models. • Regularly check AI and machine learning models for bias and take corrective action if issues are detected. • Work with a range of stakeholders to identify and mitigate biases, and incorporate their feedback into the AI and machine learning development and deployment processes. • Implement the use of explainability tools to provide transparency in how AI and machine learning models are working and any potential biases, and to provide this information in clear documentation for stakeholders, for example in model cards. • Define and use fairness metrics to evaluate the performance of AI and machine learning systems, standards for acceptable model performance, and processes and other regular checks to monitor acceptability of performance. • Continuous improvement of AI and machine learning based systems to ensure that the systems and tools are updated and improved based on research, feedback, and audit findings. • Ensure compliance with the regulatory requirements such as anti-discrimination laws.
9	How do you ensure that that the use of AI meets government security and privacy requirements?	Further to the controls identified in question 5, as part of the department's evaluation process for CoPilot and any future online AI services and software, the department conducts an analysis of the types of data involved, with a particular focus on the sensitivity of the information being processed. Existing controls are applied to sensitive and private information.

Attachment A

#	Question	Response
10	What briefings are given to your audit and risk committees, or boards, on the use of AI?	The department's Audit and Risk Committee and Digital, Data and Implementation Board have received briefings in relation to the use of AI in the department. In addition, the Corporate Operations Board receives briefings on the use of AI in relation to the department's corporate projects and corporate services. The briefings have addressed: • the progress of the departmental rollout of the Whole-of-Government Copilot for Microsoft 365 trial • ongoing work across government on the use of AI in the Australian Public Service, including how AI technology is being used as a tool for research and analysis.
11	How does your internal audit program consider the robustness of controls for AI to provide assurance around mitigation or risks?	The department develops an Internal Audit Work Program comprising a series of topics on a 6-monthly basis. The department's use and management of AI has been identified as an emerging risk and has been considered in the development of the 2024-25 Internal Audit Work Program.
12	As part of your system design process, how do you audit and trace the output of, and decisions made through, AI?	There are no decisions being made by AI in production workloads, and all AI generated outputs have human intervention and are manually assessed.
13	Are the AI platforms in use at your entity: a. off the shelf products b. customised from other products c. systems developed in-house?	The AI solution currently being trialled in the department is Microsoft 365 Copilot as part of the whole-of-Government Copilot trial led by DTA. This is a product provided by Microsoft which is an AI-powered real-time intelligent assistant that works alongside M365 apps used every day such as, Word, PowerPoint, Excel to generate and summarise content, create presentations, and predict data, to explore how it can enhance productivity and support work tasks. The department do not have any customised products or systems developed in-house at this point. The systems in development are provided in response to question 1.
14	Who has ownership and possession of the source code for your AI, and can you understand this code, including its capacity to learn and innovate? How?	The department is currently trialling the Copilot for Microsoft 365 technology as part of the Whole-of-Government trial led by the DTA. Copilot for Microsoft 365 is an AI tool developed and owned by Microsoft. The technology is subject to the terms and conditions of the contractual and licence agreements between the DTA and Microsoft.