

Senate Standing Committee on Finance and Public Administration

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and Agencies

Supplementary Budget Estimates 2006-2007, 31 October, 2006

Question: HS36

Outcome 1, Output 1

Topic: Who has access to information on the Access Card

Hansard Page/Written Question on Notice: Written

SENATOR STOTT-DESPOJA asked the Minister for Human Services, upon written notice:

1. What evidence is there that Australians currently lack any 'access' to health benefits or social services because of the absence of an access card?
2. Who will be able to access information from the card? What type of information can be accessed?
3. Who will be able to access information from the national population database?
4. The Government claims there will be time savings of 3.5 minutes for each of the face-to-face interactions each year. Are these time estimates based on demonstrated experience in application of smartcard technologies. What percentage of the time lost, is based on people presenting with wrong or incomplete documents?
5. The KPMG Report says that "fraud savings could range from at least \$1.6 billion to \$3 billion over a ten year period" (KPMG Report p.12). What are the details of where those savings will come from?
6. Where there is a pre-existing commitment to delivering on-the-spot Medicare refunds at the point of the health service, why is an access card necessary to deliver the same 'efficiency' benefit?

Answer:

1. Access is slower and more cumbersome than it needs to be. We need to update our processes and technology through the introduction of the access card. Also we need to ensure that the right person receives the benefits to which they are entitled. We have plenty of evidence of abuse of the systems, and the access card is intended to protect the rights of Australians and to protect the public purse.
2. Access to information on the chip and the surface of the card will be controlled by the cardholder. In order to read the surface of the card the cardholder will need to physically make the card available. The card holds less information visible on its surface than a driver's licence.

There will be strict controls over how agency staff can view your information. Only authorised people will be permitted to access your information and card readers will only have access to those fields of information that are needed to deliver health benefits and social services. Transactions

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involving the card will be securely logged, including access, authentication and the specific details of the transaction. All logs will be analysed constantly for anomalous behaviour.

Information on the card, in the chip and on the register is specified in the bill before parliament. All access will be logged and audited. Unlike a driver's licence, which has personal details clearly visible, the new card will securely store information on the chip. The information stored on the chip will also be securely held in the Access Card register.

3. There is no national population database. Basic information, which is specified in the legislation, will be held in the register. Only authorised officers will have access to the register. All access will be strictly controlled, logged and audited. The security of the system will be evaluated and certified by the Defence Signals Directorate who are experts in matters of security.

4. The time of 3.5 minutes is related to the average identity portion of the transaction that occurs when Centrelink undertakes identification or re-identification of a customer at a claim or re-claim of payment.

It is expected that this will be a reduction of 3.5 minutes in each of these transactions (on average) where a customer already holds a health and social services access card.

The times are based on Centrelink's experience in transacting identification processes with customers. In approximately 10 per cent of these transactions, customers present with insufficient identity credentials.

5. The KPMG report gives a range estimate for fraud savings after deployment of the Access Card systems of \$1.6B- \$3B over ten years. Given the estimated one trillion dollars in health benefits and social services the Government will be distributing over the next 10 years, this is likely to be a conservative estimate. Were we able today to identify the precise details of this fraudulent activity, we would also be able to prevent it. Typically, the frauds relate to such things as the use of a concession card after the concessional entitlement has been invalidated. Concession cards are also subject to improper use by those not entitled to concessions - for example, passed amongst a group of people.

6. The Access Card and Medicare eClaiming initiatives are independent initiatives. A Medicare Card is required under Medicare eClaiming. With the introduction of the Access Card to replace the Medicare Card and a range of other Australian Government cards, the Access Card will adopt the role of the Medicare Card in the Medicare eClaiming process.