



Private Healthcare Australia
Better Cover. Better Access. Better Care.

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Productivity Commission
Level 12, 530 Collins St
MELBOURNE VIC 3000

Inquiry into Data Availability & Use

Private Healthcare Australia (PHA) is the industry association representing Australia's private health insurance funds. Our member funds cover more than 96% of the market and provide more than \$20 billion per year in benefits for the healthcare treatment of more than 13 million privately insured Australians.

PHA welcomes this inquiry and holds the view that Australia's current privacy framework is preventing data collected by health insurers, state and federal government agencies and private providers from being used in ways that could lead to improvements in healthcare quality and efficiency.

We note and agree the Commission's view that existing structures require a major overhaul rather than marginal changes, and support in principle the major initiatives proposed in the Draft Report, particularly:

- Moving from a system based on risk aversion and avoidance, to one based on transparency and confidence in data processes;
- The introduction of a new Data Sharing and Release Act, a new National Data Custodian, and sectoral Accredited Release Authorities;
- The establishment of National Interest Datasets with broad public access; and
- Greater access to public sector datasets.

Until now, the emphasis in healthcare data has been on the collection, rather than utilisation. Significant amounts of data are held by various federal and state government agencies and by private sector organisations which is unable to be used beyond the purpose for which it was originally collected. This state of affairs is constraining the ability for anyone to creatively put this data to new uses that could lead to improved quality of care and the reduction of waste.

The industry is also broadly supportive of the proposed definition of a Comprehensive Right for consumers as defined in the Draft Report, but there are elements of this proposal that are of concern with respect to potential data security breaches and the level of compliance costs for private sector organisations.

Under the current framework, health insurance customers can already obtain information held about them by their health insurer on request. The proposed changes will require insurers to

provide “a machine-readable copy of the data”. Currently, health insurers typically provide the information requested by a customer in the format requested. This change introduces a prescriptive format to the existing requirement that will impose significant compliance costs on the industry for minimal gain.

A second concern arising from the Draft Report’s recommendations relates to the security of an individual’s sensitive health information. Across the world, health insurance (public and private) is a target for fraud and identity theft. There is a risk that new channels through which individuals can search for and access their data could be subject to inappropriate use. Any relaxing of restrictions on the sharing and use of healthcare data should only be pursued after careful consideration of how to prevent any increase in the risk of this data being compromised.

PHA thanks the Commission for its consultation on this inquiry and looks forward to the release of the Final Report.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Fanner', with a stylized flourish at the end.

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