

**Australian Unity**

**Submission to the  
Productivity  
Commission Issues  
Paper: Data Availability  
and Use**

**July 2016**

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## About Australian Unity

Australian Unity is a national healthcare, financial services and independent and assisted living organisation with over 7,000 employees providing services to nearly a million Australians including some 300,000 members nationwide. Australian Unity’s history as an independent mutual dates back 175 years.

As a provider of health insurance Australian Unity protects over 400,000 Australians against the risks of costly and unexpected medical bills. Australian Unity’s retirement communities assist over 3,000 older Australians to continue to live as independently as possible in communities with friends and supports. The organisation also provides in-home care services to more than 50,000 clients across New South Wales after the recent purchase from the NSW government of the Home Care Service of New South Wales. These clients include older people and people with disability. Australian Unity’s investments and financial services divisions give Australian families the information they need to plan for a financially secure future.

Australian Unity contributed a submission to the 2015 Harper Review of Competition Policy, the catalyst for the Commission’s current inquiry, and supported both the broad tenor and many of the specific recommendations made by Professor Ian Harper and his expert panel. We stand ready to assist the Commission in its consideration of data availability and use in any way we can.

## Executive Summary

Australian Unity is a mutual organisation that has been providing social infrastructure for Australians for the past 175 years. By this, we mean both the hard infrastructure (aged and health care facilities) and soft infrastructure (workforce, models of care, business systems) that maintains and improves standard of living and quality of life within our community. We seek to enable millions to enjoy wellbeing, in its broadest sense, across their life course.

Australian Unity has a deep and abiding policy interest in data availability and use. Ensuring the wellbeing of Australians is firmly embedded in Australian Unity's mission, both for its members, customers and the wider community. We are firmly of the belief that greater data sharing and more transparency of data in some of the sectors in which we conduct business - in particular health, disability and aged care - can deliver both better quality of life for Australians and savings to both government and individuals.

The Commission has expressed an interest in hearing from interested parties about the benefits and costs of options to increase the availability of both public and private sector data to the public and private sectors themselves, and to researchers, academics and the broader community.

This submission provides the Commission with Australian Unity's thoughts about the importance of improving the availability and use of data, particularly in the health, disability and aged care sectors. And it offers some specific thoughts on how improved access to both public and private sector data might improve the wellbeing of Australians.

In particular, Australian Unity submits that:

- **Private Health Insurers' timely access to personal data:** Better health outcomes are achievable for millions of Australians if PHI providers were given more timely access to more complete data sets.
- **Private Health Insurers' access to de-identified data:** Access to de-identified linked data sets from primary care and secondary care could be used by PHI providers to model disease trajectories and build tightly targeted support services.
- **Medical practitioner cost and quality data, and hospital performance data:** Fully informed patient choice requires greater access to information about medical practitioners' pricing and performance, along with greater access to information about hospital performance and outcomes. Australian Unity is calling for an updated version of Professor Ross Wilson's seminal 1995 "Quality of Australian Healthcare Study" to reflect the current state of healthcare in Australia.

## Introduction

“In an attempt to arrive at the truth, I have applied everywhere for information, but in scarcely an instance have I been able to obtain hospital records fit for any purpose of comparison. If they *could* be obtained, they would enable us to answer many questions. They would show subscribers how their money was being spent, what amount of good was really being done with it or whether the money was not doing mischief rather than good.”

Florence Nightingale, 1863.

The Commission’s inquiry into data availability and use is, as noted in the Terms of Reference, predicated on the notion that “effective use of data is increasingly integral to the efficient functioning of the economy”. Australian Unity stands behind this foundational point, noting that an equally important outcome from the effective use of data is the improved wellbeing of Australians. Australian Unity notes that in the business areas in which it is engaged, in particular healthcare, aged care and disability care, there is much work to be done to drive such effectiveness.

As Florence Nightingale pointed out more than 150 years ago, providing access to information allows stakeholders a clearer understanding and takes them closer to the truth. We would argue that, in the health sector, little has changed over the last century and a half in terms of ease of access to this information. This is because it is the producers, not the consumers, whose interests overwhelmingly prevail.

Australian Unity has long campaigned for greater access to the health information as a conduit to better outcomes for patients. In 2013, Australian Unity group managing director Rohan Mead addressed the Australian Medical Association’s annual conference, issuing a “call to arms” to clinicians, government and the broader health sector to make health information more accessible to all stakeholders.

“Access to pertinent information is vital to any functioning market. It is no different for health. It can lead to better health outcomes for individuals and a more cost-effective health care system,” Mr Mead said.

In this light, Australian Unity endorses the Commission’s view that “increased availability and use of data can promote a range of potential benefits across the private and public sectors, including efficiency, empowerment of consumers, competition, innovation and accountability of governments.”

Australian Unity further notes Prime Minister Malcolm Turnbull's acknowledgement in his Innovation Agenda Public Data policy statement on 7 December, 2015 that public data is a strategic national resource and the government must manage this for the benefit of all Australians. The policy statement commits to non-sensitive data being 'open by default' and to collaboration with private and research sectors to extend the value of public data.

The Productivity Commission itself has previously noted the potential for efficiencies in the health system, with productivity gains in hospitals alone being in the order of 4-5 per cent. Unlocking access to relevant information is critical to driving productivity improvements. Australian Unity notes the recent estimate by Lateral Economics that health-specific data could contribute up to \$5.9 billion per annum across the economy, an indication of the importance and potential benefits in getting data linkages right.

In sum, Australian Unity's view there is substantial scope for greater sharing of private data and information to drive innovation, with appropriate privacy systems put in place. Doing so can improve individual wellbeing as well as drive cost efficiencies to the benefit of both public and private budgets. Australian Unity agrees that much of the data currently being generated is under-utilised. Sometimes this data can be de-identified, and used for research. In other case, identification of individual practitioners or hospitals may create pressure for improvement.

## Specific submissions

### Private Health Insurers' timely access to personal data

Australian Unity agrees with the Commission's view that the potential benefits of better data access include innovation, efficiency, competition and empowerment of consumers. It is also Australian Unity's view that there is a need to gain greater community recognition of the power and benefits of high quality data analytics achieved through greater access and proper use of public data. To achieve wider support for data analytics and sharing of data, Australian Unity submits there needs to be a rebalancing of privacy and control of personal information. A starting point would be to implement recommendations 4 and 5 of the Senate Select Committee on Health set out in their sixth interim report, *Big health data: Australia's big potential*. Australian Unity proposes the Private Health Insurers be supported to access all of a patient's health activity and clinical data (including Pharmaceutical Benefits Scheme and Medical Benefits Scheme in primary care), if a patient offers the appropriate permission.

Doing so would enable Private Health Insurers to identify health risk triggers that would in turn allow for more timely interventions in an attempt to better manage a patient's health. This

is particularly important in the area of chronic disease, where early interventions can significantly improve the long term health, and overall wellbeing of patients.

While Australian Unity acknowledges that this is the ultimate rationale behind the MyHealth Record, there needs to be some greater impetus for change, as the take up rate remains too slow, leaving many patients missing out on effective and timely treatments.

More complete data sets would allow health care providers like Australian Unity to intervene earlier and provide more targeted programs. This will lead to better outcomes for patients, reducing the time they spend in hospital. In turn, this will lower the costs for health insurers in the private sector, reducing premium increases. In the public sector it would reduce pressure on the public hospitals, allowing them to treat more patients. An example is Australian Unity's MindStep program, outlined below.

#### **MINDSTEP MENTAL HEALTH PROGRAM**

Mental health issues represent one of the fastest growing areas of health spending and utilisation in Australia. People admitted to hospital with severe anxiety and depression stay on average more than 20 days, compared to just under five days for someone who has suffered a heart attack. And they often return to a hospital setting multiple times a year. In both the public and private health systems, this is becoming a critical strain on budgets.

In an attempt to drive better patient outcomes and reduce hospitalisation, Australian Unity's preventative healthcare business Remedy Healthcare recently introduced a mental health program, MindStep. It is designed to play a role in the overall care of someone suffering severe anxiety and depression, alongside GPs and mental health specialist.

The program, developed in conjunction with Flinders University, delivers telephone-based low intensity cognitive behaviour therapy for clients with depression and anxiety, which they seem to prefer to having to meet with mental health practitioners face to face.

Already it is demonstrating strong results. The overall recovery rate of clients completing the MindStep program in its first seven months of operation is 58 per cent. Most of these clients would have previously been hospitalised with anxiety and depression.

The following testimonials from MindStep clients are indicative of its reception to date.

"I felt I had a coach helping me deal with my low moods and self-sabotaging thoughts. This unobtrusive contact was helpful at a time when I had isolated myself from most people for several months. The materials are particularly insightful and encouraging." – Feedback from MindStep client

[The coach] made me aware of the need to prioritise my worries into hypothetical and actual problems. Realised early on that most thoughts are only hypothetical. I can look at things and handle how I work out what I need to do to overcome my anxious thoughts. – Feedback from MindStep client

One of the frustrations of the MindStep program is that most potential beneficiaries of the program are identified from hospital account data received by Australian Unity as the payer. If Australian Unity could identify candidates from the program *before* hospitalisation, using other evidence such as PBS or MBS data, there would be better outcomes for both the patient and the overall health system, as resources would be saved.

### **Private Health Insurers' access to de-identified data**

To improve health outcomes for its members, Australian Unity also believes it important they get a broader range of data from the primary and secondary care sectors. Access to de-identified linked data sets from primary care and secondary care could be used by PHI providers to predictively model disease trajectories and build more tightly targeted support services.

There is enormous potential for collaboration between industry, academia and government to combine health, social and academic data sets with a view to fostering innovation and generate new products to improve health outcomes and slow the burgeoning rate of health costs in Australia. The Commission's conclusion in its 2015 report "Efficiency in Health" that health-related research in particular could benefit from better linkages between related administrative data sets is noted in this regard.

Australian Unity contends that the benefits to efficiency, competition, innovation and ultimately the empowerment of consumers to improve their health and wellbeing far outweighs the potential privacy dangers in these circumstance, particularly when the data under consideration is de-identified.

### **Medical practitioner cost and quality data, and hospital performance data. And a fresh look at Healthcare Quality in Australia.**

Australian Unity contends that too often a patient in the health system is unaware of important information that bears on their treatment decisions. This information includes the record and experience of medical professionals, the out-of-pocket costs they will face, and the standard of

performance at the hospital in which they will be treated. Apart from producer interest, there is no reason why this information should not be available to a patient.

Other sectors of the health system are under increasing scrutiny in terms of value to consumers. Private Health Insurance is being closely examined through [privatehealth.gov.au](http://privatehealth.gov.au) to allow consumers to better compare policies, which Australian Unity welcomes. However this scrutiny should be extended to the medical profession and hospitals, if the wellbeing of patients is to be at the centre of policymaking.

In this regard Australian Unity welcomes and congratulates the recent work of the Australian Commission on Safety and Quality of Healthcare, in particular its Atlas of Healthcare Variation published in November, 2015. Publishing health care variation data has, in Australian Unity's view, the potential to drive efficiency and reduce costs across the health system.

Australian Unity submits that more should be done in this regard. For instance, it is time to update Professor Ross Wilson's "Quality of Australian Healthcare Study", published in 1995. This seminal work reviewed the medical records of more than 14,000 admissions to 28 hospitals in NSW and South Australia, concluding that 16.6 per cent of admissions were associated with an adverse event which resulted in a longer hospital stay for the patient and was caused by health care management. That is one in six cases. Half were considered preventable. For nearly one in five of those adverse events, the outcome was permanent disability or death.

Australian Unity notes the subsequent reviews of Professor Wilson's work, but even the recalibration of his work years to adhere to US standards of measurement left the figures at one in 10 events.

Patients deserve to know which institutions are safer than others, and the performance outcomes of their medical practitioner. This data should be far more transparent and available than it currently is.

Ends