



The Hon Greg Hunt MP
Minister for Health
Minister Assisting the Prime Minister for the
Public Service and Cabinet

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Dr Elizabeth Deveny
Chair
Australian Digital Health Agency Board
Level 25
175 Liverpool Street
SYDNEY NSW 2000

Dear Dr Deveny

Statement of Expectations

I am writing to outline my expectations of the Australian Digital Health Agency (Agency), with a focus on the 2020–21 financial year. This outline includes how the Agency is expected to fulfil its role, balance its objectives and respond to changing circumstances in the context of the Government’s policy priorities. It also outlines expectations for how the Agency manages its relationship with the Government, other agencies and stakeholders, and issues of transparency and accountability and operational matters.

You will be expected to respond to this letter in the form of a Statement of Intent, outlining how the Agency proposes to meet the expectations outlined.

VISION

I recognise the independence of the Agency and its responsibilities, as provided by the Public Governance, Performance and Accountability (Establishing the Australian Digital Health Agency) Rule 2016 (Agency Rule) and the *My Health Records Act 2012* (Act). Nevertheless, the Government expects the Agency, in undertaking its responsibilities, will take into account the Australian Government’s broad policy framework, in performing its role and meeting its responsibilities.

The Government is committed to developing and delivering effective digital technologies and services to improve the health and wellbeing of all Australians.

Following the transition of the My Health Record (MHR) system to national opt-out participation arrangements the Government is committed to: guaranteeing the security and privacy of the MHR system; ensuring information held in the MHR system is of a consistently high quality to support the safe delivery of healthcare; and ensuring the user experience for a consumer or healthcare provider accessing the system is positive and promotes effective use.

The Government is also committed to continue implementing key national digital health infrastructure initiatives, including the Healthcare Identifiers service, Clinical Terminology services and the National Authentication Service for Health; and delivering key priorities under Australia's National Digital Health Strategy: Safe, Seamless and Secure 2018–2022.

PRIORITIES

Australia's National Digital Health Strategy

The Government recognises the responsibilities of the Agency under the Intergovernmental Agreement on National Digital Health (IGA) to implement Australia's National Digital Health Strategy and to deliver a world-class national digital health capability leading to improvements in the quality and delivery of healthcare to Australians, the efficiency of the Australian health system and the health and wellbeing of all Australians.

My Health Record

As the System Operator of the MHR system, I expect the Agency to operate the consumer controlled MHR system in a transparent and accessible manner that supports and safeguards the privacy of individuals and realises the benefits for consumers, healthcare providers and the health sector. This includes an active involvement in education to improve the knowledge of consumers and healthcare providers regarding MHR functionality.

Regulatory Oversight

The Office of the Australian Information Commissioner (OAIC) has responsibility for the oversight of the development of national privacy laws, which are an important enabler for digital health to operate effectively across jurisdictions and the private sector.

I expect the Agency will maintain robust, effective and collaborative working partnerships with the OAIC who provides ongoing privacy support, advice and regulatory oversight of the MHR system as identified in the MHR Act.

A key priority of the Agency is to continue to develop, implement, operate and continuously improve specifications, standards, systems and services in relation to digital health, consistently with the national digital health work program. This is critical to the implementation and delivery of a nationally consistent and interoperable health capability.

RELATIONSHIP WITH MINISTER AND PORTFOLIO

Relationship with Responsible Minister

The Agency plays an important role in the implementation of the Government's Digital Health Agenda. A key function of the Agency is to advise the Minister in relation to the implementation and delivery of national digital health initiatives, and ensure I and the Government are well placed to lead and respond to emerging issues that may arise.

The Agency should therefore provide Government with accurate and timely advice on significant issues in its core area of business. Significant issues might include: matters for which the Government is likely to be accountable in Parliament; important Agency operational issues; and Agency decisions regarding the appropriate action to take following substantial problems. I expect the Agency to consult with the Department of Health (Department) in preparing advice relating to policy and legislation decisions.

In this context, I am looking forward to maintaining a close working relationship with the Agency and the executive. I request that I, and the Department, are consulted early in the development process for future work, and I will ensure you are fully informed of the Government's policy direction as specific initiatives and strategies are considered.

Relationship with the Department of Health and the Health Portfolio

The Department has policy and legislation responsibility for improving health outcomes for Australians through digital healthcare systems. An effective health system is one which facilitates accurate, safe and secure information sharing between healthcare recipients, healthcare providers and across supply chains. The Government expects the Agency and the Digital Health and Services Australia Branch will continue to maintain a close working relationship, particularly as a Commonwealth Digital Health priorities are developed by the Department over the coming period.

I expect the Agency to work closely with the Department to develop a Statement of Intent to support engagement and ensure collaboration across the full spectrum of digital health policy between the two agencies. It will further set out the principles, governance and management information which are necessary for the successful delivery of Government-led digital health policy.

I also expect the Agency to develop and maintain the appropriate governance mechanisms with other entities, such as with (but not limited to) Services Australia, the Australian Institute of Health and Welfare and the IHPA to set, prioritise, and align work programs for maximum impact.

Relationship with Stakeholders

The Government expects the Agency, in performing its functions, to act collaboratively with the Commonwealth, state and territory governments, and other key government and non-government stakeholders, for example, peak health organisations, health industry bodies, clinical groups, health consumer organisations and healthcare providers.

The Government also expects the Agency to liaise and cooperate with overseas and international bodies on matters relating to digital health.

ORGANISATIONAL GOVERNANCE AND FINANCIAL MANAGEMENT

Organisational Governance

The Agency is a statutory authority established as a Corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013 (Act)*. The PGPA Act sets out requirements for the governance, reporting and accountability of Commonwealth entities and for their use and management of public resources. It vests many of the powers and responsibilities for the financial management of a Commonwealth entity in the hands of the accountable authority, which is the Board of the Agency.

Under the Agency Rule, the Health Minister is required to appoint the skills based Board, which is responsible for setting the strategic direction to achieve the Agency's purpose, and overseeing performance, governance and resource allocation as custodian of Commonwealth and state and territory funding.

The Board is the key decision-making body and maintains a watching brief over internal and external environments, and ensures that Agency's operations and outcomes are fit for purpose and align with government priorities. I expect the Agency to implement decisions made by, and as directed by the Board, including recommendations to improve the efficiency and effectiveness of the Agency.

The Board is supported by four advisory committees, and must report to the Commonwealth and state and territory health ministers.

In response to the findings and recommendations contained in the Functional Efficiency Review of the Agency, I expect the Board to provide advice to the Department as to how the Agency Rule can be amended to improve the efficiency and effectiveness of the Agency. Particular attention should be given to the current format of the Advisory Committees.

Financial Management

The requirements for the Agency's financial management are set out in relevant legislation and the Finance Ministers Orders. In this regard, I note the Agency must comply with the Government's requirements in relation to approval for overseas travel. The Government expects the Agency will continue efforts to secure improved efficiency in operations and demonstrate value for money for the services it delivers. I expect the Agency to continue to drive cost efficiencies in supporting national infrastructure development and implementation.

The Government recognises the Agency is funded under both the PGPA Act and the IGA, which contain separate provisions regarding the Agency's ability to carry forward surplus funding provided by the states and territories under the IGA from one financial year to the next.

Nonetheless, the Government expects the Agency to comply with the provisions of the PGPA Act and adhere to the Budget Process Operational Rules, which provide that no Commonwealth entity shall budget for a loss without permission of the Finance Minister. I expect the Agency to identify and advise through the required process if a surplus or deficit is expected.

It is important the Agency continues to meet the requirements of the PGPA Act, Commonwealth Resource Management Framework and standards expected of a corporate Commonwealth entity.

Furthermore, my expectation is the Agency maintains the capacity to be flexible and responsive to emerging priorities and issues which might arise throughout the years.

TRANSPARENCY AND ACCOUNTABILITY

The Agency operates as part of the Australian Government and is accountable to the Commonwealth Parliament, and ultimately to the public through myself as the Health Minister. The Government expects the Agency to continue to: identify opportunities to optimise its structure; enhance program support, delivery process and records management; prioritise improvements in culture and capacity of the organisation; and improve overall operations to ensure the operating model of the Agency continues to be fit-for purpose.

I would appreciate your response to this letter in the form of a Statement of Intent by 14 November 2020 outlining how the Agency proposes to meet the expectations outlined here, and to ensure the Government's priorities are reflected in the Agency's strategic and operational plans. The Agency has a leadership role in advancing the Government's digital health agenda and I am keen to understand how the Agency's strategic direction will continue to develop and support a coordinated, collaborative and innovative approach to the utilisation of information and technology to support and enhance a clinically safe and connected health system, improving health service delivery and health outcomes for all Australians.

To enable greater transparency and accountability information in this letter along with your response will be published on the Department's website.

Yours sincerely

A handwritten signature in blue ink that reads "Greg Hunt". The signature is fluid and cursive, with the first name "Greg" and the last name "Hunt" clearly distinguishable.

Greg Hunt