INTERGOVERNMENTAL AGREEMENT ON NATIONAL DIGITAL HEALTH

An agreement between

- the Commonwealth of Australia and
- the States and Territories, being:
  - The State of New South Wales
  - The State of Victoria
  - The State of Queensland
  - The State of Western Australia
  - The State of South Australia
  - The State of Tasmania
  - The Australian Capital Territory
  - The Northern Territory of Australia

An agreement to establish and support the Australian Digital Health Agency and to contribute to the incremental transformation of the way health information is used to plan, manage and deliver healthcare services through the implementation of a world-class digital health capability in Australia.

Version: 29 January 2016
Intergovernmental Agreement on National Digital Health

RECITALS

In entering this Intergovernmental Agreement (Agreement), the Commonwealth of Australia (Commonwealth) and the States and Territories recognise that they have a mutual interest in continuing to develop and deliver a world-class national digital health capability that will lead to significant improvements in the quality and delivery of healthcare provided to health care recipients, the efficiency of the Australian health system and the health and wellbeing of the population.

In recognition of the need to work together in a continuous and collaborative way, the Parties to this Agreement have agreed to the establishment and on-going financial support for the operations of the Australian Digital Health Agency (the Agency), to streamline the current governance arrangements and to ensure better accountability, greater transparency and improved stakeholder engagement in the evolution of the national digital health system.

The Parties agree that the Agency, in performing its role, will develop and implement a coordinated, collaborative and innovative approach to the utilisation of information and technology to support and enhance a clinically safe and connected health system to improve health service delivery and health outcomes for the Australian community.

This Agreement supports the governance, performance and accountability of the Agency as set out in the Public Governance, Performance and Accountability Act 2013 (PGPA Act) and related Rule.

This Agreement articulates the Parties’ shared vision and contribution to establish an effective national digital health capability, which includes the national digital health systems, supporting foundations, standards and infrastructure. The Agreement has been structured to set out:

a) governance, funding, and review arrangements over the term of the Agreement;
b) the vision, which will continue to establish and deliver a world class digital health capability in Australia; and
c) goals towards achieving the vision.

In entering into this Agreement, the Parties recognise that the Commonwealth, States and Territories are each pursuing digital health objectives and implementing to differing timelines. This Agreement acknowledges that the shared goals and objectives will inform the iterative development of a National Digital Health Strategy, coordinated by the Agency and agreed to by the COAG Health Council (CHC), to provide a consistent framework for a national digital health capability in Australia.

The Parties acknowledge that the provisions of this Agreement will support the development and delivery of a National Digital Health Work Programme by the Agency in line with the priorities of the National Digital Health Strategy, to ensure efficient and safe integration of patient information at the local (intra-service) level, the State or Territory level (health care services managed by a State or Territory), and the national level (cross-sectoral and cross-jurisdictional), noting that there are also initiatives being governed locally (by jurisdictions) that are leveraging the national infrastructure to deliver intra-service and cross-sectoral health care improvements.
PART 1 — OPERATIVE PROVISIONS

1. Parties
This Agreement is between the Commonwealth and the States and Territories.

2. Term of the Agreement
This Agreement will commence on 1 July 2016 and will expire on 30 June 2018, unless the Parties agree unanimously to an early termination or to an extension of the Term.

3. Enforceability
The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that is not intended to lessen the Parties’ commitment to this Agreement.

PART 2 - GOVERNANCE

The CHC has principal responsibility for supporting and monitoring the implementation of this Agreement.

The Australian Health Ministers’ Advisory Council (AHMAC) has responsibility for providing strategic and operational support to CHC.

The Ministers for Health in each jurisdiction have overarching accountability for the digital health initiatives implemented in their jurisdictions as described in this Agreement and its Schedules.

The Australian Digital Health Agency (the Agency) is the single accountable organisation for digital health at a national level in Australia. The Agency has the authority to continue to develop, set and deliver on the National Digital Health Strategy, as directed and agreed by the CHC, setting the direction for the digital health ecosystem, including both public and private sector elements.

The Office of the Australian Information Commissioner 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.

PART 3— TRANSITION AND FUNDING ARRANGEMENTS

4. Transition
The National E-Health Transition Authority (NEHTA) was established by COAG in 2005 to develop the foundations and infrastructure to support a national digital health capability. Since 2005, the Parties have provided funding to NEHTA to build this capability.

The Rule under the PGPA Act to establish the Agency contains provisions to vest all assets and liabilities from NEHTA to the Agency. NEHTA will be disbanded from 30 June 2016 and the Agency will take responsibility for the ongoing development, coordination and implementation of the National Digital Health Strategy and deliver and/or co-ordinate delivery through the National Digital Health Work Programme. Any incomplete activities from the 2015-16 NEHTA work programme will also be assigned to the Agency from 1 July 2016.

The National Digital Health Strategy is currently being developed through the eHealth Working Group. Until that Strategy is agreed by the Parties, the funding of the Agency in accordance with this Agreement will contribute to the ongoing operation of the national digital infrastructure and systems, as well as those ongoing projects transitioned from NEHTA to the Agency. Following agreement to the National Digital Health Strategy by the CHC, the Parties may agree to additional high value and priority projects that require additional funding. This will necessitate a variation to this Agreement. It is
anticipated that this Agreement will be reviewed annually in light of the Agency’s requirement to seek CHC endorsement of the National Digital Health Work Programme.

5. Funding
The Parties agree to commit funding to support the Agency and the delivery of the National Digital Health Work Programme up until 30 June 2018. Funding will be based on the 2015-16 investment to NEHTA in accordance with the AHMAC cost-shared formula.

The start-up funding for the Agency is based on the 2015-16 investment in NEHTA, which was set to manage ongoing operations, including managing digital health infrastructure, products and solutions, and programme support and governance. This level of funding will allow the Agency to provide continuity of services, and establish and fill new leadership and technical specialist roles to deliver on its expected outcomes. Noting that the Agency’s structure and operations are intended to be different to NEHTA, a starting point at NEHTA’s current funding level will allow the continuity required in the national digital health systems and infrastructure. While the first and second year levels of funding are set to that which was invested in NEHTA, in line with the review processes inherent in this Agreement, the first review in early 2017 should test the work-plan that the Agency presents to AHMAC and CHC, as well as the financial performance of the Agency. If necessary the base level funding can be reset in future years through this review process.

If there is any underspend, the surpluses that result will be available for re-investment in subsequent year work-plans, which will need to be agreed and directed by Health Ministers on an annual basis.

This Agreement does not commit the Parties to additional expenditure beyond their current and planned national investment in digital health. The current and planned national funding arrangements are summarised in Schedule A. Future funding under this Agreement will be reviewed and agreed by the Parties in one year, and it is expected that future Agreements will be set for three years, and reviewed biennially.

If future key priorities are agreed and included in the National Digital Health Strategy, which require additional investment to the funding agreed in this Agreement, the Parties must unanimously agree to vary this Agreement.

The Commonwealth will continue to fund the ongoing operation and evolution of the My Health Record system, given that the accountability for this will transfer to the Agency.

The Parties agree that there may be other specific programmes of work which may be funded separately through public – private partnerships or by individual jurisdictions. Funding for these activities will be subject to other contractual arrangements and not through this Agreement.

PART 4—REVIEW OF THIS AGREEMENT

6. Delegations
It will be the responsibility of the CHC to consider and agree to any amendments or inclusions to this Agreement and Schedules before they are adopted.

7. Review of the Agreement
The Term of this Agreement, and the funding provided, will be reviewed by the Parties at least twelve months prior to the end of the Term, and it is expected that future Agreements will be set for three years, and reviewed biennially.

The Parties agree that the implementation of this Agreement, particularly the Agency’s Work Programme or any priorities including implementation targets or milestones included in a Schedule, will be subject to ongoing monitoring, coordinated through AHMAC and reporting to the CHC.
Implementation reviews and evaluations of the particular digital health services outlined in any Schedules to this Agreement will be commissioned as required by the Minister for Health or the jurisdiction with lead responsibility for its implementation.

PART 5 — VISION, OUTCOMES, PRINCIPLES AND OUTPUTS

8. Vision

a) The Parties share and are committed to achieving a vision for Australia to have a world leading national digital health capability, which will advance the efficiency, quality and delivery of healthcare provision to improve the health outcomes of all Australians, through:

i. Full engagement, participation, equity and empowerment of consumers;

ii. Open collaboration available to all health professionals;

iii. Person centred coordinated care decisions based on sharing data;

iv. Practical and secure information technologies;

v. Government Policies and regulations;

vi. Transparency, through public reporting; and

vii. Respect for the individual and their privacy.

b) is governed by effective institutional, representative and administrative arrangements which promote:

i. collaboration and coordinated action between governments and health system participants; and

ii. partnerships to drive innovation and adoption across the health community.

c) supports the achievement of national, state and local health system reform and the realisation of benefits from the implementation of innovative and connected digital systems.

d) is guided by an iterative National Digital Health Strategy which sets out the national coordination, investment, and collaboration in national health information and systems development to optimise the sharing of quality health and clinical information across the healthcare sector.

e) enables a person’s key healthcare information to be accessed electronically by their healthcare providers anywhere in Australia through sharing information securely across geographic and health sector boundaries;

f) empowers and informs healthcare recipients, and improves health literacy, through better access to, and control over, a healthcare recipient’s consolidated healthcare information;

g) promotes the adoption of safe, effective and efficient clinical practices by the health workforce through the use of digital health technologies which support clinical usability and utility;

h) uses consistent national standards and specifications, and clinical terminology to facilitate the inter-operability and connectivity of health information systems;

i) provides effective regulatory and compliance arrangements that ensure the system is trusted by participants as a secure source of health information; and

j) encourages innovation in digital health technologies to deliver more efficient and effective healthcare services for both healthcare recipients and the healthcare sector.
9. Outcomes
The continued development of a national digital health capability is expected to deliver the following beneficial outcomes for all Australians in the long-term:

**Improvements to the quality, safety and overall effectiveness of healthcare:** by providing access to current clinical and treatment information; using digital decision-support tools to reduce error; and supporting healthcare recipient understanding and participation in managing their health care;

**Improving access to care:** by more productive use of the available health workforce and facilities supported by increased use of electronic service delivery for patient consultations;

**Increasing efficiency:** by streamlining clinical processes (such as, access to diagnostic results and ePrescribing); enabling savings to the National health budget through reducing duplication and delivering more consolidated corporate support services (such as, eProcurement);

**Improving the management of the Australian health system:** by enhancing information for service and system managers and policy-makers; enabling faster response to health emergencies and crises; providing the foundation information for new funding models; and enabling innovation in service delivery.

The Parties acknowledge that the timeframes over which the outcomes and benefits will be achieved from a national digital health capability in each State and Territory will vary. The Parties commit to supporting and contributing to a National Digital Health Strategy to support the vision for digital health in Australia outlined in this Agreement, and to identify and report on the benefits achieved from investment in the national digital health capability.

The Parties recognise that the capacity and willingness to invest in digital health will differ across jurisdictions and that there are also initiatives being governed locally (by jurisdictions) that are leveraging the national infrastructure to deliver health care improvements. The Parties agree that where major new digital health investments occur, these will be consistent with the principles of this Agreement.

10. Policy principles
The following principles will guide future investment, development and implementation of a national approach to digital health, including innovative and technological advancements:

**Collaboration:** The Parties will collaborate in developing, coordinating and maintaining the intellectual capital, national infrastructure and foundation services to support a national digital health capability.

**Funding:** The Parties will commit to seek funding to support the establishment and continued operations of the Agency. They jointly agree to commit these funds to support the ongoing operations of the Agency and for all work related to the National Digital Health Work Programme, including the digital health foundations, services and infrastructure.

**National infrastructure:** The National Digital Health Strategy will guide the development and innovation of core elements of the national digital health infrastructure. The National Digital Health Work Programme will underpin the National Digital Health Strategy by setting out the schedule and investment required to maintain and deliver all components of the national infrastructure required to support the national digital health capability.

**Stakeholder engagement:** Key healthcare stakeholders will be included in the governance, design, usability, utility and delivery of digital health solutions.
**Incremental approach:** Long term national digital health capability will be built in an incremental and pragmatic manner, with initial investment focussed in those areas that deliver the greatest benefits for healthcare recipients, healthcare providers and healthcare managers.

**Recognising different starting points:** The Parties acknowledge that the level of infrastructure, digital capacity and capability and need for support varies across and within jurisdictions, healthcare providers and sectors.

**Leverage:** Digital health activity, national technological innovation will be prioritised, leveraged and expanded to improve national health service delivery.

**Balancing alignment and independence:** The Parties commit to the alignment of national digital health activities without constraining the ability of jurisdictions, healthcare participants and vendors to implement locally relevant solutions.

**Promoting trust:** Users of digital health initiatives have confidence that their health information is stored and used in a way that is secure and consistent with legal and privacy requirements.

**Confidence:** Healthcare providers and healthcare recipients have confidence that the national digital health system provides information and technologies which are easy and safe to use and consistent with the quality standards applied across the healthcare system.

### 11. Outputs

The Parties recognise that an effective national digital health capability is dependent on effective governance arrangements. The Parties agree that new Schedules may be added to this Agreement to support emerging digital health initiatives and future innovation.

The Parties agree to adopt the Head Agreement and all of its Schedules and implementation milestones as they are developed and agreed.

The Parties acknowledge that the Agency will:

- Continue to maintain the current digital health foundations and infrastructure, developed by NEHTA, and recognise the technical interdependencies between different digital health capability, including:
  - a) Healthcare identifiers, clinical terminology services, and specifications and standards are essential foundations of a national digital health capability;
  - b) The Healthcare Identifiers Service, the National Health Services Directory, and the National Authentication Service for Health together facilitate the accurate, safe and secure sharing of information between healthcare providers;
  - c) The National Endpoint Proxy Service and the My Health Record system are dependent on the successful implementation of healthcare identifiers and the National Authentication Service for Health; and
  - d) The My Health Record system is dependent on the successful implementation of specifications and standards and clinical terminology services.
- Coordinate and regularly review the National Digital Health Strategy to provide an evolved Strategy to meet the needs of, and agreement to by, the Parties through the CHC;
- Develop a national work plan to implement national components of the Strategy and other elements as directed/agreed by the CHC, including supporting, engaging, communicating and collaborating with key stakeholders;
- Monitor and manage strategic systemic opportunities and risks including, but not limited to, out of date or new software/standards, major global trends/innovations/hacks, Internet of Things, crowd sourced feedback, testing and funding.
The Agency will take on the responsibility for any unfinished/continuing projects that NEHTA had commenced during 2015-16 subject to sufficient funds being available and continued priority and support from CHC through agreement/direction on the annual work-plan. Some of these projects are expected to be ongoing up until June 2018, and are listed in Schedule A.

New Schedules will be added to this Agreement as national priorities are identified in the National Digital Health Strategy and subsequently agreed by CHC.

**PART 6 - ROLES AND RESPONSIBILITIES**

To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities, as outlined below and may be included in the Schedules to this Agreement.

12. **Role of CHC**

The Parties recognise that the role of CHC will be to agree to the National Digital Health Strategy and the priorities to inform the development and implementation of the National Digital Health Work Programme upon CHC’s agreement/direction.

13. **Role of AHMAC**

AHMAC has responsibility for providing strategic and operational support to CHC.

14. **Role of the Commonwealth**

The Commonwealth will promote the adoption and take up of national digital health capability consistent with this Agreement in areas that it has policy, legislation and funding responsibility, such as in primary healthcare, private medical specialists, allied health services, the Pharmaceutical Benefits Scheme, aged care, veterans’ care, and defence health services.

15. **Role of the States and Territories**

The Parties recognise the role of the States and Territories as key health system managers, particularly for public health and public hospital services.

In managing and funding these state-operated services, States and Territories have the role of introducing, supporting and leveraging national health digital capability.

16. **Role of the Australian Digital Health Agency (the Agency)**

The Parties recognise the Agency as the national body responsible for the evolution of the digital health capability. The Agency will provide the leadership, coordination and delivery of a collaborative and innovative approach to utilising technology to support and enhance a clinically safe and connected national health system to improve health service delivery and health outcomes for the Australian community.

In undertaking this role, the Agency will coordinate and provide input into the ongoing development of the National Digital Health Strategy, and in doing so will work collaboratively as appropriate with the Commonwealth, state and territory governments and other key stakeholders, such as peak and professional organisations representing medical professionals and healthcare provider groups, peak healthcare recipient representative and support organisations, public and private sector health organisations, and the health software industry. Additionally, the Agency will be responsible for implementing those aspects of the National Digital Health Strategy that are directed by the CHC.

The Agency will be responsible for developing, implementing and managing the National Digital Health Work Programme, to reflect the key digital health priorities as directed/agreed by the CHC. The National Digital Health Work Programme will comprise activities to deliver, operate, maintain and evolve the national digital health architecture, infrastructure, services, foundations, solutions design
and development to facilitate digital information sharing across the Australian healthcare system. These include, but are not limited to, the My Health Record system, the Healthcare Identifiers Service, the National Authentication Service for Health, the Clinical Terminology and Health Informatics Service, eHealth Reference and Testing Platform Service, Supply Chain Services, Secure Messaging Delivery and National Product Catalogue.

While the Parties do not intend any of the provisions of this Agreement to be legally enforceable, the Rule under the PGPA Act to establish the Agency provides that if the Agency carries out a function that is relevant to this Agreement, the Agency must have regard to this Agreement in carrying out that function.

The functions of the Agency as reflected in the Rule are provided in Schedule B to this Agreement.

17. Shared roles and responsibilities
The Parties share the following roles and responsibilities:

- through shared funding commitments to support the operations of the Agency, fund core national digital health services such as the Healthcare Identifiers Service, the National Authentication Service for Health, National Clinical Terminology Service and establishing and maintaining specifications and standards for digital health;
- working collaboratively with the Agency and each other to contribute to the development, implementation and enforcement of the National Digital Health Work Programme, including agreed national standards for the definition, collection, storage and use of digital health information and greater use of digital health technologies; and
- reviewing and reporting on the benefits achieved from national and jurisdictional investment in digital health.

18. Dispute resolution
Any Party may give notice to other Parties of a dispute under this Agreement.

Officials of relevant Parties will attempt to resolve any dispute in the first instance.

If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the CHC.

19. Variation of the Agreement
The Agreement may be amended at any time by agreement in writing by all the Parties.

A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.
The Parties have confirmed their commitment to this Agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Sussan Ley MP
Minister for Health of the Commonwealth of Australia

Date

Signed for and on behalf of the State of New South Wales by

The Honourable Jillian Skinner MP
Minister for Health of the State of New South Wales

Date

Signed for and on behalf of the State of Queensland by

The Honourable Cameron Dick MP
Minister for Health of the State of Queensland

Date 8 April 2016

Signed for and on behalf of the State of Western Australia by

The Honourable John Day MLA
Minister for Health of the State of Western Australia

Date 8 April 2016

Signed for and on behalf of the Northern Territory by

The Honourable John Elferink MLA
Minister for Health of the Northern Territory of Australia

Date

Signed for and on behalf of the State of Victoria by

The Honourable Jill Hennessy MP
Minister for Health of the State of Victoria

Date 8/4/16

Signed for and on behalf of the State of South Australia by

The Honourable Jack Snelling MP
Minister for Health of the State of South Australia

Date 8 IV 16

Signed for and on behalf of the State of Tasmania by

The Honourable Michael Ferguson MP
Minister for Health of the State of Tasmania

Date

Signed for and on behalf of the Australian Capital Territory by

The Honourable Mr Simon Corbell MLA
Minister for Health of the Australian Capital Territory

Date
Definitions
INTERGOVERNMENTAL AGREEMENT ON DIGITAL HEALTH

A1 In this Agreement and its Schedules:

The Agency means the Australian Digital Health Agency.

AHMAC means the Australian Health Ministers' Advisory Council which provides strategic and operational support to the COAG Health Council.

COAG means the Council of Australian Governments.

designated privacy law means a law determined to be a designated privacy law under the My Health Records Act 2012.

Digital health capability includes the national digital health system and its supporting foundations, standards and infrastructure and any future improvements to those.

digital health ecosystem covers the whole of the Australian healthcare, and its interfaces with related human services, to support the care of individuals who receive health care in the Australian States and Territories. It is inclusive of consumers, carers and providers of healthcare whether public, private, charities or not for profit.

entity means:

(a) a person; or
(b) a partnership; or
(c) any other unincorporated association or body; or
(d) a trust; or
(e) a part of another entity (under a previous application of this definition).

healthcare means health service within the meaning given by the Privacy Act 1988.

Healthcare Identifier(s) means the Individual Healthcare Identifier (IHI), Healthcare Provider Identifier - Individual (HPI-I) and Healthcare Provider Identifier – Organisation (HPI-O) identifiers. Each of the three types of identifiers is a unique 16-digit number that complies with International Organization for Standardization requirements and Australian Standards for healthcare identifiers.

healthcare provider means:

(a) an individual healthcare provider; or
(b) a healthcare provider organisation.

healthcare provider organisation means an entity, or a part of an entity, that has conducted, conducts, or will conduct, an enterprise that provides healthcare (including healthcare provided free of charge). Examples: A public hospital, or a corporation that runs a medical centre.

healthcare recipient means an individual who has received, receives, or may receive, healthcare.
health information means:

(a) information or an opinion about:
    (i) the health, including an illness, or a disability or injury (at any time) of an individual; or
    (ii) an individual's expressed wishes about the future provision of health services to the individual; or
    (iii) healthcare provided, or to be provided, to an individual;
that is also personal information; or

(b) other personal information collected to provide, or in providing, a health service to an individual; or

(c) other personal information about an individual collected in connection with the donation, or intended donation, by an individual of his or her body parts, organs or body substances; or

(d) genetic information about an individual in a form that is, or could be, predictive of the health of the individual or a genetic relative of the individual.

health service has the meaning given by the Privacy Act 1988.

HI Service means the services of:

(a) assigning, issuing and maintaining Healthcare Identifiers; and

(b) establishing and operating the Healthcare Identifiers Directory Service, and undertaking incidental tasks.

HI Service Operator means the body that will operate the HI Service.

Minister for Health means the Commonwealth Government Minister for Health unless otherwise noted as a State/Territory Health Minister.

My Health Record of a healthcare recipient means the record of information that is created and maintained by the System Operator in relation to the healthcare recipient, and information that can be obtained by means of that record, including the following:

(a) information included in the entry in the Register that relates to the healthcare recipient;

(b) health information connected in the My Health Record system to the healthcare recipient (including information included in a record accessible through the index service);

(c) other information connected in the My Health Record system to the healthcare recipient, such as information relating to auditing access to the record;

(d) back-up records of such information.

My Health Record system means a system that involves the System Operator and that is for:

(a) the collection, use and disclosure of information from many sources using telecommunications services and by other means, and the holding of that information, in accordance with healthcare recipients' wishes or in circumstances specified in the proposed My Health Records Act; and
(b) the assembly of that information using telecommunications services and by other means so far as it is relevant to a particular healthcare recipient, so that it can be made available, in accordance with the healthcare recipient’s wishes or in circumstances specified in the proposed *My Health Records Act*, to facilitate the provision of healthcare to the healthcare recipient or for purposes specified in the *My Health Records Act*.

**National Digital Health Strategy** is a national strategy that identifies priority areas which can be progressively extended to support health reform in Australia. It provides a common framework for States and Territories, and the public and private health sectors, to implement digital health.

**National Digital Health Work Programme** refers to an agreed suite of projects and plans that align with the National Digital Health Strategy and which may be delivered through collaboration between governments, the Australian Digital Health Agency and other agencies.

**NEHTA** means the National E-Health Transition Authority Ltd established by all Australian Governments on 5 July 2005.

**personal information** has the meaning given by the *Privacy Act 1988*.

**specification** is a set of requirements to be satisfied by a material, product or service, which may be developed by a range of public or private organisations and may include established standards. The Agency develops specifications, which may become standards if they are developed under the governance of Standards Australia.

**standard** means an established norm or requirement about information systems. It is a formal document agreed through a consensus process by an accredited standards development organisation, such as Standards Australia. A standard establishes uniform criteria, methods, processes and practices.

**System Operator** has the meaning defined in the *My Health Records Act 2012*: the System Operator will be responsible for the operation of the My Health Record system, and its advisory bodies will provide expert advice and ensure state, territory, healthcare recipient and stakeholder input on the operation of the system.
INTERGOVERNMENTAL AGREEMENT ON NATIONAL DIGITAL HEALTH

A1 The Commonwealth and States and Territories jointly commit to seek funding to support the establishment and continued operations of the Australian Digital Health Agency (the Agency). They jointly agree to commit these funds for all work related to the National Digital Health Work Programme, including the digital health foundations, services and infrastructure, noting that:

- the funding contribution proportion for the Agency’s annual operations, and will be in accordance with the AVMAC cost-shared formula;
- funding commitments beyond this would be discussed and confirmed annually by Health Ministers at CHC.

A2 The Agency will develop and implement the National Digital Health Strategy, which will be underpinned by an agreed National Digital Health Work Programme to support a national digital health system.

A3 There will be a number of funding streams for the Agency in place to reflect specific work programmes, included in the National Digital Health Work Programme and reflected as priority work in the National Digital Health Strategy, with funding:

- provided by all jurisdictions to support the Agency’s National Digital Health Work Programme;
- Commonwealth provided funding for the My Health Record.

A4 The Agency would be legally obliged to take into account any requirements in this Agreement when carrying out functions which are relevant to this Agreement, eg,

- when preparing the annual National Digital Health Work Programme, the Agency would need to have regard to any requirements in this Agreement which relate to the preparation of the work programmes.
- the Agency to have regard to any requirements outlined in this Agreement around the provision of funding when exercising a function.

A5 On or before 1 July 2016, the Agency will:

a. take on the responsibility for any unfinished/continuing projects that NEHTA had commenced during 2015-16 subject to sufficient funds being available and continued priority and support from CHC through agreement/direction on the annual work-plan.; and

b. have vested to it any unspent funds allocated to that project work, noting in particular the following projects:

- Pathology Lead Implementation Activities, due for completion 30 June 2017;
- eMM Terminology in Use (including OntoServer), due for completion 30 June 2017;
- Point-to-point eReferral, due for completion 30 June 2018.
The Commonwealth and the States and Territories agree to make a financial contribution to the operation of the Agency as set out below.

**TABLE 1: FINANCIAL CONTRIBUTION OF EACH JURISDICTION FOR THE AGENCY**

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Financial contribution*</th>
<th>2016-17</th>
<th>2017-18</th>
<th>AHMAC Formula* 15/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth</td>
<td>$32,250,000</td>
<td>$32,250,000</td>
<td>50.00%</td>
<td></td>
</tr>
<tr>
<td>New South Wales</td>
<td>$10,326,450</td>
<td>$10,326,450</td>
<td>16.01%</td>
<td></td>
</tr>
<tr>
<td>Victoria</td>
<td>$7,998,000</td>
<td>$7,998,000</td>
<td>12.40%</td>
<td></td>
</tr>
<tr>
<td>Queensland</td>
<td>$6,514,500</td>
<td>$6,514,500</td>
<td>10.10%</td>
<td></td>
</tr>
<tr>
<td>Western Australia</td>
<td>$3,508,800</td>
<td>$3,508,800</td>
<td>5.44%</td>
<td></td>
</tr>
<tr>
<td>South Australia</td>
<td>$2,328,450</td>
<td>$2,328,450</td>
<td>3.61%</td>
<td></td>
</tr>
<tr>
<td>Tasmania</td>
<td>$709,500</td>
<td>$709,500</td>
<td>1.10%</td>
<td></td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>$528,900</td>
<td>$528,900</td>
<td>0.82%</td>
<td></td>
</tr>
<tr>
<td>Northern Territory</td>
<td>$335,400</td>
<td>$335,400</td>
<td>0.52%</td>
<td></td>
</tr>
</tbody>
</table>

* This contribution is based on the AHMAC Cost sharing formula, and is subject to change. Should the formula change, the above funding proportions will also change.

**TABLE 2: ALREADY COMMITTED FINANCIAL CONTRIBUTIONS FOR THE NATIONAL DIGITAL HEALTH AGENDA**

<table>
<thead>
<tr>
<th>Financial contribution*</th>
<th>2016-17</th>
<th>2017-18</th>
<th>AHMAC Formula* 15/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>My Health Record</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commonwealth</td>
<td>$93,380,000</td>
<td>$81,360,000</td>
<td>100.00%</td>
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</table>

<table>
<thead>
<tr>
<th>National Health Services Directory</th>
<th>2016-17</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth</td>
<td>$2,447,500</td>
<td>Funding for beyond 30 June 2017 to be negotiated, and will be agreed by a separate agreement (i.e. the NHSD Services Contract)</td>
</tr>
<tr>
<td>New South Wales</td>
<td>$798,990</td>
<td>16.01%</td>
</tr>
<tr>
<td>Victoria</td>
<td>$607,959</td>
<td>12.40%</td>
</tr>
<tr>
<td>Queensland</td>
<td>$494,884</td>
<td>10.10%</td>
</tr>
<tr>
<td>Western Australia</td>
<td>$251,603</td>
<td>5.44%</td>
</tr>
<tr>
<td>South Australia</td>
<td>$180,136</td>
<td>3.61%</td>
</tr>
<tr>
<td>Tasmania</td>
<td>$55,803</td>
<td>1.10%</td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>$39,160</td>
<td>0.82%</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>$24,964</td>
<td>0.52%</td>
</tr>
</tbody>
</table>
The Commonwealth will continue to fund the My Health Record system $93.38m in the 2016-17 financial year and $81.36m in the 2017-18 financial year. The Commonwealth Department of Human Services is funded separately to deliver services to support the operation of the My Health Record system.

Health Direct Australia is funded to deliver the National Health Service Directory, to enable health professionals and consumers access to reliable and consistent information about health services. A separate Agreement is in place with Health Direct Australia to continue to deliver their services. That Agreement is in place until 1 July 2017 and will be then due for review.

The National Endpoint Proxy Service (NEPS) is a new national service that is essential to support the implementation of secure messaging and eliminate current fragmentation and duplication by both jurisdictions and vendors. A business case has been developed for the ongoing operation of NEPS. The business case is currently subject to an independent architectural review and commercial assessment prior to final agreement on the quantum of funding required. The scope of the review will also consider the boundary of activity between NEPS and the National Health Services Directory and any potential savings in the future operation of other national infrastructure in the scope of this Agreement, including the Healthcare Provider Directory currently operated by the Department of Human Services under contract with NEHTA.

Funding for NEPS will be sourced from prioritisation within the agreed work program of the Australian Digital Health Agency as described in this Agreement.
Functions of the Agency

20. Functions of the New Organisation as expressed in the Rule

(1) The new Agency has the following functions:

a. To coordinate, and provide input into, the ongoing development of the National Digital Health Strategy in consultation with:
   i. Commonwealth, State and Territory governments; and
   ii. Other key stakeholders, such as peak associations, industry bodies, clinical groups, consumer organisations and healthcare providers;

b. To implement those aspects of the National Digital Health Strategy as directed/agreed by the Ministerial Council;

c. To develop, implement, manage, operate and continuously innovate and improve specifications, standards, systems and services in relation to Digital Health, consistently with the National Digital Health Work Program and in consultation with:
   i. Commonwealth, State and Territory governments; and
   ii. Other key stakeholders, such as peak associations, industry bodies, clinical groups, consumer organisations and healthcare providers;

d. To develop, implement and operate a comprehensive and effective clinical governance, using a whole of system approach, to ensure clinical safety in the delivery of the National Digital Health Work Program;

e. To develop and implement compliance approaches in relation to the adoption of agreed specifications and standards relating to Digital Health;

f. To liaise and cooperate with overseas and international bodies on matters relating to Digital Health;

g. Such other functions as are conferred on the Commonwealth by this instrument or any other law of the Commonwealth;

h. To do anything incidental to or conducive to the performance of any of the above functions.

(2) The new Agency may charge fees for things done in performing its function.*

(3) If an intergovernmental agreement is relevant to the performance of a function of new Agency, the new Agency must have regard to the agreement in performing the function.

(4) Subsection (3) does not limit the matters to which regard may be had.

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* Digital Health is a broad term that reflects computerisation in healthcare, it is inclusive of concepts such as eHealth, Health IT, clinical and corporate information systems, consumer health, telehealth, ICT infrastructure, and the use of mobile devices and applications, the way these are used and the integrity and security of information that they capture, store, communicate and display.
(5) Where the new Agency may provide a service, the new Agency may do so:

a. Itself; or
b. In cooperation with another person (including the Commonwealth); or
c. By arranging for another person (including the Commonwealth) to do so in its behalf.

* Note: Consumers will not be charged fees for Agency services