



**Actuaries  
Institute.**

## **What Happened to My Health Record?**

Eilidh Nicholson, Olivia Stephenson & Adam  
Butler  
May 2024

*"The Federal Government's Strengthening Medicare Report sets out an expansive agenda to improve healthcare in Australia through blended care pathways, supported by investment in better use of digital technology to share patient data.*

*But the My Health Record system that underpins part of this plan has existed for over 10 years, has seen \$2bn in investment and yet is still widely considered to date unsuccessful. This paper explores the reasons for those failures but also the possibilities for health and health actuaries should further investment in this system prompt the progress and growth long desired.*

*With the Strengthening Medicare Report also putting the role of private health insurers in primary care back on the agenda, the presentation will also explore the current landscape and sentiments around private health insurers involvement in this area and the benefits to consumers of an appropriately safeguarded but better integrated data sharing platform."*

## Contents

- 01 | What is My Health Record?
- 02 | What are the problems with My Health Record?
- 03 | PHIs and My Health Record
- 04 | Opportunities for My Health Record
- 05 | Wrap Up

# What is My Health Record? A Recap

01

# What is MHR?

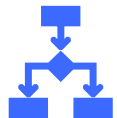
*"A safe and secure place to keep your key health information, available to you and your healthcare providers anytime, including in an emergency"*



- Secure national system for facilitating consumer controlled access to health information



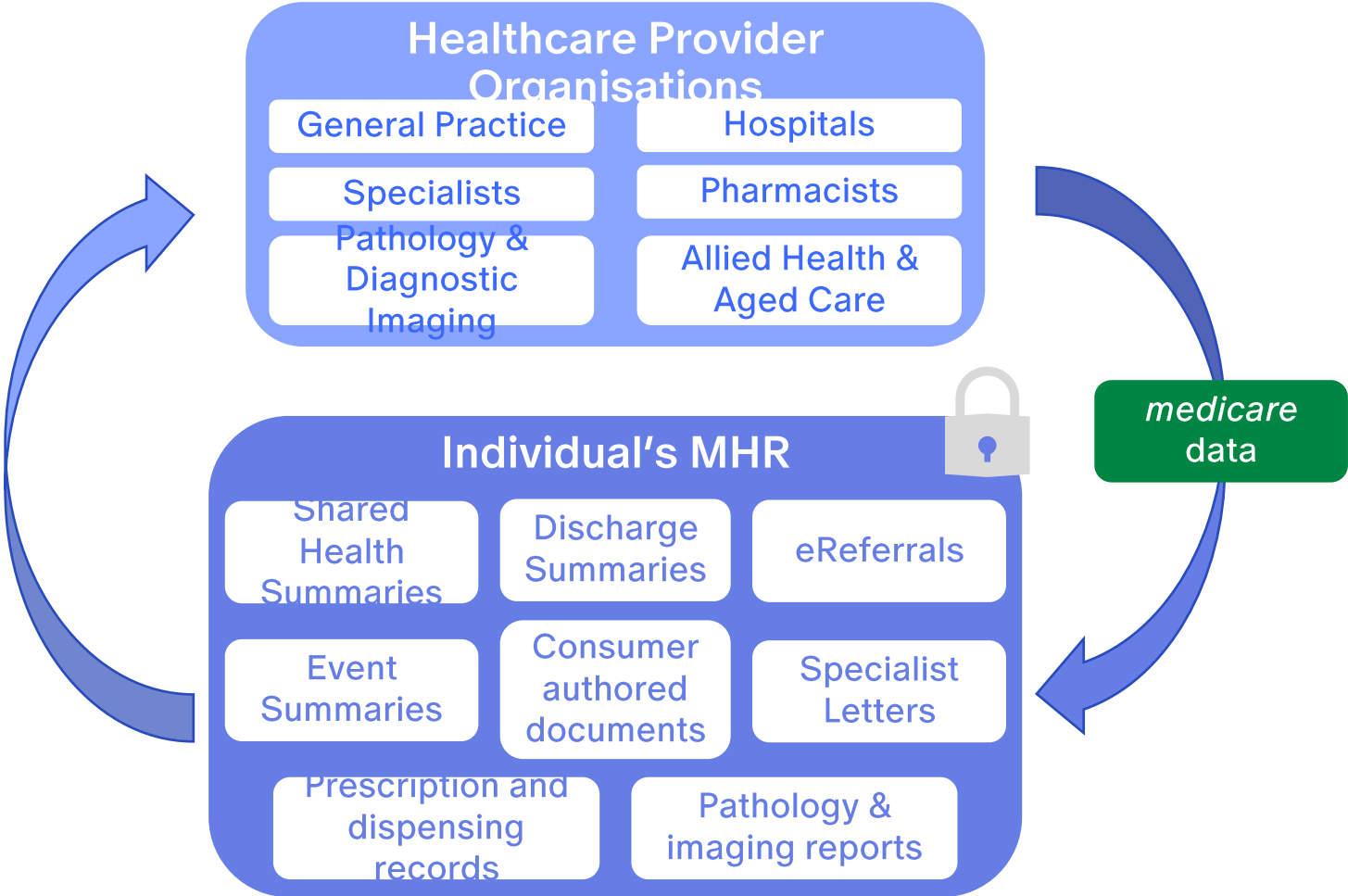
- Over \$2 billion invested since 2012, with ongoing broad digital health spend in the budget



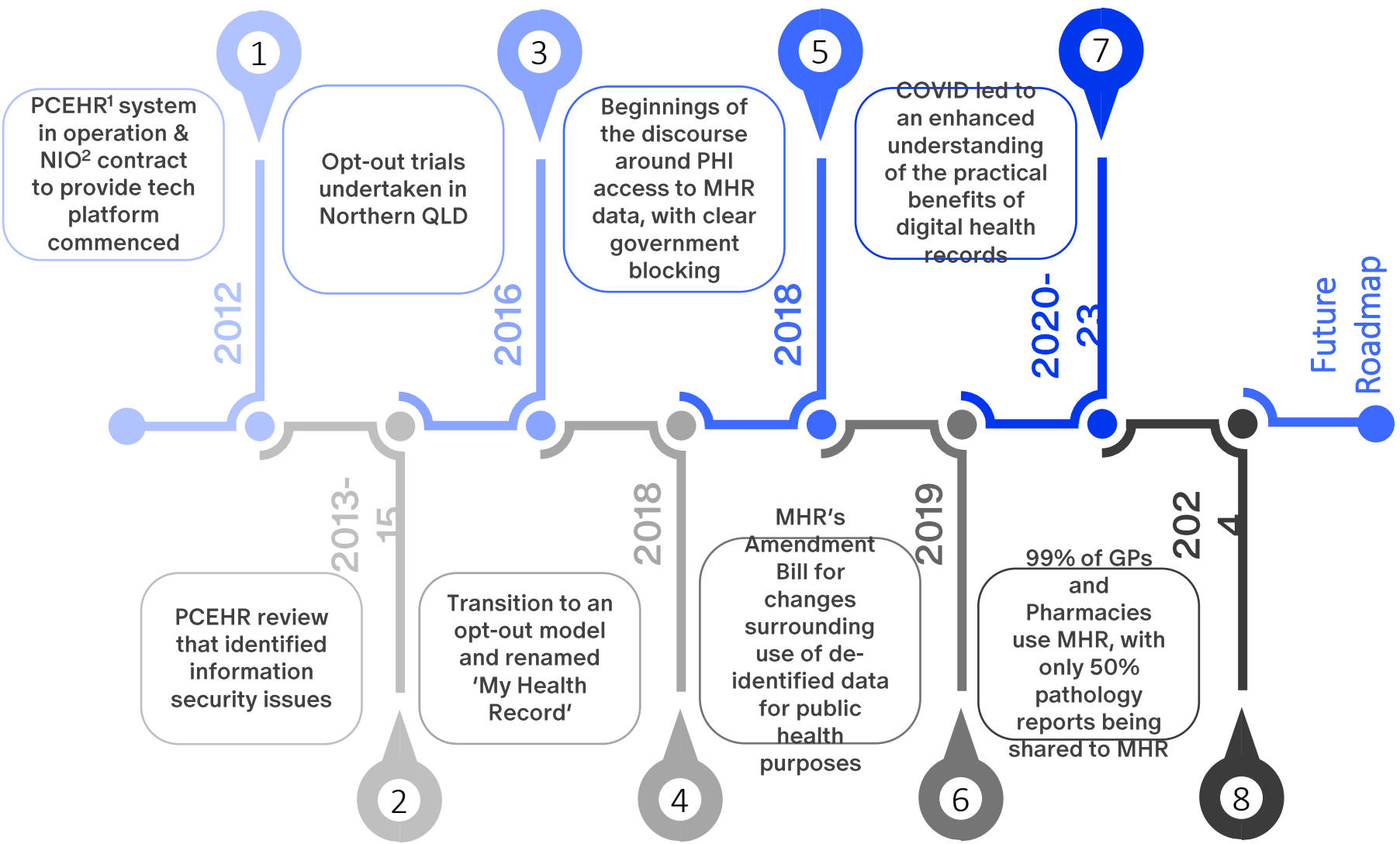
- Started in 2012 as an opt-in system and later transitioned to an opt-out model



- Is a Federated Identity Model rather than a centralised data storage for health information



# Timeline of MHR



1. Personally Controlled Electronic Health Record (PCEHR)  
2. National Infrastructure Operator

- 1 | Digitally enabled health and wellbeing services that are connected, safe and sustainable
- 2 | A person centred approach to equip Australians with the right tools and empower to look after their health
- 3 | Inclusive mentality for equitable access to health services when and where Australians need them
- 4 | Decision making across all levels to contribute to a sustainable health system through a data driven approach

# The Problems With My Health Record

02

# Problems with MHR (and their solutions)<sup>2,3</sup>



## Data Security

- Switch from opt in to opt out
- Emergency access
- Prohibiting access for employment/insurance related reasons – now addressed in the Act
- Treatment of records of deceased individuals, minors
- Most of the major issues now addressed in legislation or planned to be legislated



## Uptake

- Barriers to use by health providers – system seen as 'clunky'. High usage among GPs and pharmacies but lower elsewhere.
- Calibrating carrots and sticks correctly – and the ongoing funding of these.
- More areas now mandated to participate (e.g. pathology) but debate remains around 7 day access delay etc.
- \$430m invested to address this issue in 2023-24 Budget

Presented at the 2024 All Australia Summit



## Not a 'digital filing cabinet'

- Lack of clinically relevant info in Medicare data
- A roadmap to embed value for consumers and providers
- Linking up with other digital health initiatives

# Private Health Insurance and My Health Record

03



# Use of My Health Record<sup>5,6</sup>

## ***Primary use***

*Full data available to healthcare organization's to be used for the purpose of provisioning healthcare to the patient.*

---

## ***Secondary use***

*Intention to make de-identified data available to approved researchers or government officials for research and public health purposes. This is subject to the establishment of governance arrangements (currently being developed).*

*The objective of secondary use is to benefit Australia's health system by ensuring patients receive quality, evidenced-based care that is accessible and cost-effective by giving researchers insights into the effectiveness of current services and treatments in order to inform future planning, policies, and investments.*

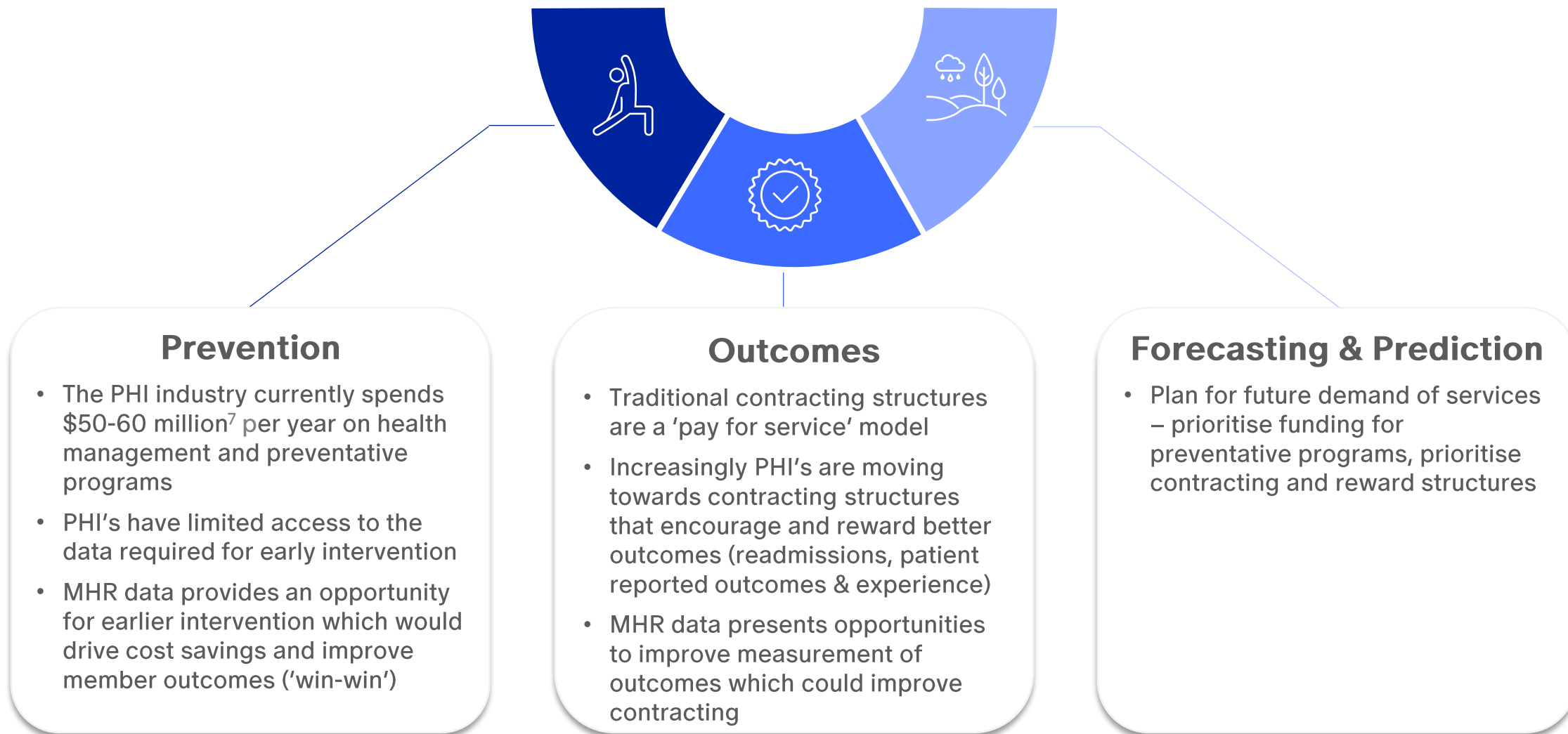
---

## ***Prohibited use***

*Underwriting, determining the coverage, or deciding whether to enter into an insurance contract.*

*Primary or secondary (de-identified) data must not be provided to a private health insurer (with or without the consent of the healthcare recipient).*

# Why do Private Health Insurers want access to MHR?



# Concerns with Private Health Insurers accessing MHR



## Data security

Increasing instance and severity of cyber attacks on private healthcare companies – Medibank, UnitedHealth.



## Misuse of information

Media attention internationally on companies sharing and misusing personal health information – care.data, Biobank, BetterHelp, Cerebral. Community Rating in Australia largely negates concerns around data being used to discriminate pricing.



## Managed care

Concerns that giving PHI's access to more information could result in movement towards a US type 'managed care' system. Various arguments around the effectiveness of a managed care model – cost efficiencies vs excess profits.

## Public Sentiment

**89%** would share their information if it helped improve health outcomes and cut costs<sup>8</sup>

**+15%** increase in consumer trust in PHI over the past 4 years<sup>9</sup>

**+4%-6%** higher trust in PHI's vs other key industries such as general insurers, banks, and government<sup>9</sup>

**1.5x** greater trust in health care providers (both public and private hospitals) compared to PHI's<sup>9</sup>

# Opportunities for My Health Record

04

# Early Intervention & Care Pathways



- Given the concern around insurers' access to MHR data – there is an alternative that could achieve many of the same goals. Insurers and other providers (NDIS etc.) could instead feed in information – rather than take out.



- Many of the reviews conducted recommend that MHR should be better integrated and link up to other digital health initiatives.



- A 2020 Australian study into preventative programs for OA<sup>10</sup> found that if just 1 in 12 participants avoided a knee replacement there would be savings generated for the health system, where about 71% of costs are incurred by the private system. In reality success is much higher than this but insurers currently face challenges identifying participants early in this health journey to maximise benefit for the patient and savings.



- GPs act as the gateway for patients to various private providers – if systems suitably integrated with coverage and provider arrangements, could help guide patients to low cost and low gap options.

Presented at the 2024 All Actuaries Summit





# Quality, Transparency, Resource Planning



- Beyond insurers putting info into the system – benefits could still be achieved with secondary access; opportunity to earn trust by participating in other ways first.



- Holistic view of a patient journey through the primary care, public and private hospital systems, could broaden ability to evaluate quality care including:
  - Opportunities to identify and prevent widespread fraud, waste and abuse – for example, recent investigation by ABC Four Corner exposes Australia's 'back pain industry'.<sup>11</sup>
  - Improve assessments of the effectiveness of lower cost care pathways – for example procedures that have just as good outcomes in lower cost short stay settings.



- A richer repository of health data could lead to better long term planning for health needs. A good example is mental health – current public shortage, burden has been pushed to private but current arrangement is threatening viability of Gold products.

# Wrap Up



**A flawed  
system with a  
lot of potential**



**Better data for  
a better  
health system**



**Putting data  
in, not taking  
it out**



Actuaries  
Institute.

# Thank you

Actuaries Institute  
[actuaries.asn.au](https://actuaries.asn.au)



# Sources & References

1. Digital Health Initiatives and Programs, My Health Record, 2016, [My Health Record \(digitalhealth.gov.au\)](https://digitalhealth.gov.au)
2. Australian National Audit Office, Implementation of the My Health Record System, November 2019, [Implementation of the My Health Record System | Australian National Audit Office \(ANAO\)](#)
3. Professor John McMillan AO, Review of My Health Records Legislation, December 2020, <https://www.health.gov.au/resources/collections/review-of-the-my-health-records-legislation>
4. Royal Australian College of GPs, Overview of the Federal Budget 2023-24 (Health), May 2023, <https://www.racgp.org.au/FSDEDEV/media/documents/RACGP-2023-24-Budget-Overview-Health.pdf>
5. DoH, Use of My Health Record data, March 2024, [Use of My Health Record data | Australian Government Department of Health and Aged Care](#)
6. My Health Records Act 2012, October 2023, [Federal Register of Legislation - My Health Records Act 2012](#)
7. APRA, Quarterly private health insurance statistics, December 2023, [Quarterly private health insurance statistics | APRA](#)
8. AFR, Health insurers hopeful of My Health Record data access, July 2018, [Health insurers hopeful of My Health Record data access \(afr.com\)](#)
9. IPSOS, Health Care and Insurance Australia 2023, Report 10: Attitudes about PHI, How much trust do you have in the following organisations? [View Reports | Syndicated Health \(ipsosurveys.com.au\)](#)
10. Ackerman et. al. Implementing a national first-line management program for moderate-severe knee osteoarthritis in Australia: A budget impact analysis focusing on knee replacement avoidance, Osteoarthritis and Cartilage Open April 2020, [www.elsevier.com/journals/osteoarthritis-and-cartilage-open/2665-9131](http://www.elsevier.com/journals/osteoarthritis-and-cartilage-open/2665-9131)
11. ABC News/Four Corners, The chronic pain sufferers living with the impacts of failed spinal cord stimulators and surgery, April 2024, <https://www.abc.net.au/news/2024-04-09/chronic-pain-spinal-cord-stimulator-surgery-four-corners/103686582>