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Public Accounts and Expenditure Review Committee

Telehealth

Discussion Paper 1

April 1998

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Presented by
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COMMITTEE'S FUNCTIONS AND POWERS

The Committee obtains its powers and functions from the Standing Orders of the Legislative Assembly. Standing Order 412(1) states that the functions of the Committee are:

> ... to inquire into, consider and report to the Parliament on any proposal, matter or thing connected with the receipt and expenditure of public moneys, including moneys allocated under the Annual Appropriation Bills and the Loan Fund.

Moreover, the Committee is empowered by Standing Order 412(2) to inquire into and report to the Assembly on certain specific matters and on any question which it deems necessary to investigate and to consider whether the objectives of public expenditure are being achieved or may be achieved more economically.

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TELEHEALTH

1. INTRODUCTION

PAERC and Inquiry
The Public Accounts and Expenditure Review Committee (PAERC) is a standing committee of the Legislative Assembly of the Parliament of Western Australia. The Committee's main function is to inquire into and report to Parliament on any matters connected with the receipt and expenditure of public moneys, much of which is in the form of services to the public. In particular, the Committee is concerned with the efficiency, effectiveness and accountability of government expenditure.

Terms of Reference
The Committee has recently initiated an inquiry into the topic of *Government in an Online Environment*, with the following terms of reference:

To inquire into and report on the -

•   existence or otherwise of a Government strategy for Western Australia's future in an online environment;

•   role of Government in managing the convergence of information technology, telecommunications and intellectual property;

•   effectiveness and equity of access to online services and online work for all Western Australians;

•   implications of an online environment for regional Western Australia;

•   economic and social implications for Western Australia in an online world; and

•   accountability of Government in an online environment.

The impetus for this inquiry was a concern about how government was meeting the challenges of an online world. The technological advances in telecommunications, multimedia and information technology are revolutionising the way in which individuals, businesses and governments communicate and interact with each other. In particular, government has been forced by these technological changes into developing new ways to provide services to its citizens.

Given its role in examining government expenditure, the PAERC considers it timely to investigate the efficiency, effectiveness and accountability of government services provided online.

Discussion Papers

It is the Committee's intention to release four discussion papers in the near future, which will contribute towards a series of reports focussing on the terms of reference. Discussion papers seeking public comment will be circulated on the following issues:

- Health
- Education
- Delivery of Services
- Efficiencies from E-Commerce

This discussion paper focuses on the first area—Health—and outlines the Health Department of Western Australia's Telehealth strategy and vision for health service delivery in this State. The Committee's role in this process is not to prescribe which Telehealth strategies should be implemented, nor to stipulate what technologies should be used. Rather, the Committee's function is to assess the Telehealth proposal against the criteria of efficiency, effectiveness and accountability.

2. TELEHEALTH

What is Telehealth?

Telehealth is a way of providing health services to people using technology. Its aim is threefold: first, to improve the quality of health care; second, to improve the efficiency of health service delivery; and third, to provide services where currently none exist. According to the Health Department of Western Australia, which will be responsible for coordinating and facilitating the introduction of Telehealth:

> Telehealth is a health delivery system that enhances or provides health-related activities between two or more locations using technology assisted communications.[1]

A combination of technical advances in telecommunications, multimedia and medical equipment has vastly increased the range and quality of health service provision, especially to rural and remote areas. Not only does this create unparalleled opportunities for the State, but also enables Western Australia to access and deliver online health services, both nationally and internationally.

In addition, the potential exists for health professionals and consumers to access the world's best practices across state and national boundaries. For example, a person living in the extreme north of Western Australia could have their x-rays read by a specialist in Hong Kong or the United States. Alternatively, an overseas health provider could potentially fill the void if public health services are not provided to those who need them in a remote part of Western Australia.

Telehealth uses a variety of technologies to deliver health services and information, such as land-line and microwave links, satellite, wireless telephone and the internet. Through these applications, Telehealth will be able to deliver a wide range of services to health providers and consumers, including:

- consultations;

- patient support and advice;
- doctor support and advice;
- remote patient management and follow-up;
- medical image and data transfers;
- counselling;
- teaching and training;
- administration;
- meetings; and
- access to databases and information.[2]

Telehealth incorporates a range of disciplines, including maternal and child care, speech therapy, cancer management, psychiatry, dermatology, radiology, alcohol and drug services, cardiology and renal medicine. It can be used in a variety of settings, including community centres, remote industrial/mining sites, general practices, regional and teaching hospitals, universities and other teaching centres, prisons and in the home.[3]

Benefits for WA

According to the Health Department of Western Australia, there are three main areas in which Telehealth will improve the quality of health service delivery for health professionals, hospital managers and members of the community:

(1) Voice and Video Communication, eg for use in consultations, counselling and training.
(2) Medical Image and Data Transfers, eg transmission of x-rays, ultrasound and CT scans.
(3) Information Access and Communication, eg patient records, health-related data and health information services.[4]

In short, Telehealth aims to improve access to and equity in health services by increasing the:

- availability of services;
- accessibility of services;
- acceptability of services; and
- affordability of services.[5]

Electronic Commerce

Not only are there potential benefits for Western Australia through the delivery of health services online, but savings and efficiencies could also be achieved by buying, ordering and paying for goods and services online. It is estimated that the Western Australian public sector health industry spends approximately $260 million each year on the supply of goods and services.[6] The Western Australian Government Health Supply Council, which is an advisory body to the Minister for Health on supply related matters, is currently involved in fostering electronic commerce to improve supply processes. For example, a selection of health contracts will be distributed to industry in electronic format, which will aim to reduce administrative and tendering costs to health and industry.[7] Electronic trading could also improve accountability, by enabling health managers to track the supply process more easily.

Rural and Remote Access

Western Australia is characterised by its immense geographical size and isolated rural and remote communities. These populations are particularly disadvantaged by the fact that health services are centralised in Perth. This has meant that many rural and remote communities suffer from a lack of access to basic health care, not to mention other specialised services. Patients often have to travel long distances to receive medical care, which costs them time and money, especially in transportation and accommodation costs. Engaging and retaining health professionals has also been a continuing problem for country centres. Hence, there are considerable health status differences between those who live in metropolitan areas and those in country areas, for both white and Aboriginal people.

The WA Telehealth model differs from others in that it is based on extending a network of health care services to remote areas, as opposed to establishing links from one specialist centre to another, more remote centre with less expertise. As Dr Marshall explains:

> The WA model establishes Telehealth services at the periphery of the population catchment area where the need for remote support is greatest, in contrast to most current examples of telemedicine services which concentrate services in areas of high population who already have access to a wide range of medical services.[8]

Metropolitan

The metropolitan area has long enjoyed advantages in terms of access and affordability of health care. However, Telehealth should not be seen as solely benefitting the delivery of health services to non-metropolitan areas. Western Australia can and should seek to enjoy increased efficiencies and effectiveness of health services across the State from improved communications.

One example of this is the potential for improved communication between general practitioners and the Health Department to enable faster identification of an influenza outbreak in a suburban area or region. In the past, this identification may have taken many days or even weeks, but could now be facilitated more quickly if GPs and the Health Department were networked online.

Obstacles

Telehealth provides the opportunity for health services in areas where they do not currently exist. However, the cost of supplying the infrastructure to remote areas is seen to be an expensive exercise, although it is these communities who need Telehealth the most. As the Health Department of Western Australia noted:

> Low usage of the system for health-related activities at a particular site may not in itself justify the installation of equipment but it is these communities who have the greatest need for Telehealth services.[9]

The notion of networking people, practitioners and databases of information is one key feature of improved efficiency and effectiveness. It is also a feature that raises issues of privacy, confidentiality, reliability, legitimacy and the accountability of an online health system. Cost issues, entrenched cultures of health service delivery and the revolutionary change of an online

health service are other potential obstacles which should be recognised and factored into an evaluation of the merits of Telehealth.

3.   ISSUES

No major government initiative on Telehealth has yet been implemented in Western Australia, although there are a small number of public pilot implementation sites around the State, in addition to a number of private initiatives. The case for Telehealth appears to be overwhelming and inevitable and will make health care more cost-effective, efficient and equitable. However, a number of important issues need to be addressed if Telehealth is to live up to its expectations:

- How much will it cost to implement the Telehealth strategy?

- Will Telehealth lead to a substantial cut in costs in relation to health service provision in Western Australia?

- How do you ensure that more centralisation does not occur by delivering health services online?

- Will Telehealth enhance the quality and efficiency of health services and their delivery?

- What obstacles exist to implementing the Telehealth strategy?

- What will be the cost to Western Australia by not implementing the Telehealth strategy?

- Will the current patient fee structure still work if Telehealth is implemented?

- What implications does remote health service delivery have for Medicare funding?

- The potential exists to access online health services wherever they are in the world.

  - What legal and legislative problems exist if people start to buy health services outside of Western Australia?
  - How can national or international online health information and services be properly verified? How can their reliability and legitimacy be assured?
  - How should the issues of health standards, medical qualifications and accreditation be addressed in a seamless online world?

- Is it necessary to integrate Telehealth into a statewide communications network if it is to become truly effective?

- Is there a role for the private sector in this process?

- What is the potential risk exposure to Western Australia by not having the technology in place, despite knowing of its existence?

- How adequate has been the Government's response to the need for a Telehealth strategy in this State?

- How will confidentiality/privacy considerations be overcome?

- What are the potential costs and benefits for the public health sector by purchasing goods and services online?

4. CONCLUSION

The purpose of this discussion paper has been to provide an overview of the Health Department of Western Australia's Telehealth strategy for this State. In particular, this paper has highlighted a number of key issues and challenges which need to be addressed if Telehealth is to deliver health services efficiently, effectively and equitably. To this end, the Committee invites interested individuals and organisations to make written submissions by 12 June 1998 on the issues presented in this paper. Submissions can be sent to:

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Submission closing date: 12 JUNE 1998

ENDNOTES

1. Health Department of Western Australia (March 1997) *Overview of Telehealth* (www.health.wa.gov.au/telehealth/overview.html)

2. Health Department of Western Australia (May 1997) *Telehealth Expo Success* (www.health.wa.gov.au/healthv/autumn97/telexpo.html)

3. Dr Jann Marshall 'Telehealth in Western Australia' *Connection* 2, February 1997, p.4

4. Health Department of Western Australia (March 1997) *Uses of Telehealth* (www.health.wa.gov.au/telehealth/uses.html)

5. *ibid.*

6. WA Government Health Supply Council (April 1997) *Corporate Supply Strategy Health Western Australia 1997-1999* (www.ghsc.health.wa.gov.au/logistics/supstrat.htm)

7. *ibid*.

8. 'Telehealth in Western Australia', *op cit.*

9. Health Department of Western Australia (May 1997) *Planning for the Future* (www.health.wa.gov.au/healthv/autumn97/telplan.html)