**Australian Government**

Australian Government Response to the Independent Review of Health Providers' Access to Medicare Card Numbers

February 2018

## Introduction

On 10 July 2017, the Minister for Health, the Hon Greg Hunt MP, and the then Minister for Human Services, the Hon Alan Tudge MP, announced an Independent Review of Health Providers' Access to Medicare Card Numbers. The Review was commissioned following media reports that Medicare card numbers were available for sale on the 'dark web'. These reports were referred to the Australian Federal Police, and its investigation is ongoing.

The Review Panel was led by Professor Peter Shergold AC, and supported by Dr Bastian Seidel, President of the Royal Australian College of General Practitioners (RACGP), and Dr Kean-Seng Lim, Deputy Chair of the Australian Medical Association (AMA) Council of General Practice (representing Dr Michael Gannon, President of the AMA).

The Review Panel delivered two papers, a Discussion Paper (comprising the interim report for the Review), which was released for public consultation on 18 August 2017, and a Final Report containing 14 recommendations, which was presented to the Minister for Health and the then Minister for Human Services on 5 October 2017.

The Review Panel considered how to balance appropriate access to Medicare card numbers for health professionals to confirm patient eligibility for health services with the security of patients' Medicare information. The Final Report provided recommendations that aimed to improve the security of access to Medicare card numbers, including through the Department of Human Services' Health Professional Online Services (HPOS) system and its telephone channels, while also continuing to support access to health services without unnecessarily increasing the administrative workload faced by health professionals.

The Government takes the security of Australian's personal information seriously, and welcomes the Review Panel findings. The Government also acknowledges the valuable input from stakeholder groups which informed the Review recommendations.

This response acknowledges the need for immediate practical improvements to the security of Medicare card numbers while continuing to ensure people have access to the health care they need in a timely manner. It also recognises medium to long term changes required to reinforce the security of the HPOS system.

## The case for change presented by the Review Panel

The Review Panel recognised the inherent value of a mechanism by which medical and other health practitioners can search for or confirm the Medicare number of a patient in order to assist with ensuring that all Australians have access to timely and affordable healthcare. The Panel noted that the current HPOS and telephone channels are critical in ensuring healthcare remains accessible including for vulnerable individuals who may not be able to present their Medicare card. However, the system has to balance convenience with security.

The Review Panel recommended several changes and improvements to existing HPOS access controls, including transitioning healthcare providers away from the Public Key Infrastructure (PKI) certificates which enable access to Department of Human Services systems to the more modern and secure Provider Digital Access (PRODA) authentication; suspending inactive accounts to prevent inappropriate use; and introducing time limits for delegate arrangements.

The Review Panel identified the need to build public awareness of the importance of protecting Medicare information, recognising the role Medicare numbers play not only in supporting access to health services, but in Australia's identity proofing processes. The Review Panel also made recommendations targeted at giving patients greater control and awareness of access to their Medicare card numbers, requiring that

health professionals have their consent before accessing their Medicare details and giving patients information about how to request access to the audit logs of health professionals who have sought access to their Medicare card numbers through HPOS held by the Department of Human Services.

In keeping with the broader theme of identity security, the Review Panel also recommended that health professionals ensure that appropriate identity checks are made when individuals first present to a health service. This would reduce the potential for individuals to fraudulently claim benefits using another person's Medicare details.

## The Government's plans to implement the recommendations

The Government welcomes the opportunity to respond to the Review and acknowledges the excellent work of Professor Shergold and the Review Panel. The Panel's recommendations are practical, evidence-based and in keeping with the Government's mandate to preserve Medicare as the cornerstone of public healthcare in Australia.

The Government agrees without qualification to 13 recommendations put forward by the Review Panel, and confirms its in-principle agreement to recommendation 13, pending further examination of implementation options. This recommendation requires further stakeholder engagement to develop a robust implementation plan, given its potential impact on the health sector and consumers.

Overall, the Government will fully implement seven of the recommendations by 30 June 2018, with a further four to be fully implemented by 31 December 2018 and one by mid-2019. The remaining two require no changes to current practice.

Further description of the Government's approach to each recommendation appears in the table below.

A progress report on the implementation of the recommendations will be provided to Government in mid-2018.

## What these changes will mean for health professionals and consumers

All Australians, including those delivering health services and those accessing these services, have a role to play in protecting the security of Medicare information. Health professionals and consumers alike will see some changes as a result of the Government's implementation of these recommendations.

Health professionals are likely to have to make changes to their administrative arrangements as new requirements are implemented. They will be supported by detailed information and educational materials, and the Government will work closely with professional colleges and organisations to assist their members with the transition.

Consumers may find that they will begin to be asked to provide identification when first accessing Medicare services at a healthcare provider. This should not be onerous, and should not serve as a barrier to health care. By providing identification, consumers will be playing an essential role in supporting the ongoing integrity of the Medicare system. The Government will also empower consumers to protect their own Medicare card information by building public awareness and supporting consumers to access information about how their Medicare card number is used.

The Government will work closely with health peak bodies on the implementation of specific recommendations. The Office of the Australian Information Commissioner will also be consulted on the implementation of recommendations relating to establishing appropriate privacy and security controls for personal Medicare information.

The Government takes seriously its obligation to protect the significant personal information of Australians, and is working to maintain and strengthen its defences against ever more sophisticated cyber and criminal attacks. While the implementation of the recommendations set out below may involve short term inconvenience during the transitional stages, it will bring greater security to a system that benefits all Australians.

## Recommendations and Government response

| Recommendation | Government response |
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| 1. It is recommended that the Medicare card be retained as a form of secondary evidence for identity purposes. | **Agreed.**<br><br>Statement<br><br>The Government agrees with the Panel's view that Medicare cards should continue to be permitted to be used as secondary evidence of identity, albeit with appropriate checks.<br><br>Medicare cards are widely used as evidence of identity throughout the community in engagement with both the public and private sectors. Moreover, Medicare cards are not sufficient on their own to verify an individual's identity.<br><br>Implementation Approach<br><br>There will be no changes to existing processes involving the use of Medicare cards as secondary evidence of identity.<br><br>The Government notes that organisations that accept Medicare cards as evidence of identity should, where appropriate, use the online Document Verification Service to confirm that the details on the card correspond with a valid and current Medicare record. |

| Recommendation | Government response |
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| 2. It is recommended that the Department of Human Services, working with industry and consumer organisations, undertakes a public awareness campaign encouraging individuals to protect their Medicare card details, and reminding organisations that hold that information of their obligation to protect it. | **Agreed.**<br><br>Statement<br><br>The Government recognises the important role of the Medicare card in providing access to subsidised healthcare services and subsidised pharmaceuticals, as well as its role in Australia's proof of identity processes.<br><br>The Government agrees with the Panel's recommendation to encourage further public awareness and will work to implement this recommendation immediately.<br><br>Implementation Approach<br><br>The Department of Human Services is developing a Communications Plan and associated Stakeholder Engagement Strategy, to outline public awareness activities to be implemented throughout 2018 and 2019 and on an ongoing basis.<br><br>These activities will encourage members of the public to take a more active role in protecting their Medicare information, including asking why their Medicare information is being collected, and how it will be used and protected. Activities targeted at organisations will remind them of their obligation to protect Medicare information, and consider whether they really need to collect it and how they will store it safely.<br><br>The Department will use existing communication channels to promote these messages to individuals and organisations, including its social media accounts, website, letters and stakeholder liaison. It will also identify government agencies and organisations which are undertaking related communications activities, so that communications activities can be combined for greater impact and similar messaging can be leveraged. |

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| 3. It is recommended that as a condition of claiming Medicare benefits on behalf of patients, health professionals should be required to take reasonable steps to confirm the identity of their patients when they are first treated. | **Agreed.** <br><br> Statement <br><br> The Government supports this recommendation. The Government's preferred approach is to achieve this recommendation by working with the health sector to establish profession-led guidance materials. <br><br> Implementation Approach <br><br> The Departments of Health and Human Services will work collaboratively with health professional bodies to ensure their existing guidance and educational materials are reviewed and enhanced to address patient identification responsibilities under Medicare as well as within the context of the doctor-patient relationship. The aim is to ensure that health sector peak bodies have assessed, and updated if necessary, their existing guidance materials by the middle of 2018. <br><br> Ongoing monitoring of the implementation of this recommendation will occur through the compacts established between the Government and health sector bodies. |
| 4. It is recommended that health professionals should be required to seek the consent of their patients before accessing their Medicare numbers through Health Professional Online Services (HPOS) or by telephone. | **Agreed.** <br><br> Statement <br><br> The Government recognises the right of individuals to have control over their Medicare information. The Government will empower individuals through its implementation of this recommendation, which it envisions will also increase the integrity of health services. <br><br> Implementation Approach <br><br> Work to implement this requirement has commenced, with changes to be implemented in the first half of 2018. <br><br> The Department will communicate the new requirements to health professionals through its usual information channels. |

| Recommendation | Government response |
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| 5. It is recommended that individuals should be able to request the audit log of health professionals who have sought access to their Medicare card number through the HPOS 'Find a Patient' service. | **Agreed.**<br><br>Statement<br><br>The Government supports the Panel's recommendation to increase patient control and allow access to audit logs of health professionals who have sought access to the Medicare card number.<br><br>The Government believes this will further empower patients as well as assisting in identifying potential fraudulent activity.<br><br>Implementation Approach<br><br>Information about requesting audit logs will be added to the Department of Human Services' 'Personal Information' webpage, and internal processes updated to enable these requests to be fulfilled.<br><br>Education will be provided to staff about the changes so that they are able to provide customers with accurate information about access to audit logs. These changes will be implemented in the first quarter of 2018. |
| 6. It is recommended that the Department of Human Services undertake a Privacy Impact Assessment when implementing the Review recommendations, identifying the impact of changes on the privacy of individuals. | **Agreed.**<br><br>Statement<br><br>The Government notes the Department of Human Services is compliant with mandatory requirements of the Australia Government Security Policy Framework and relevant legislation. The Government remains committed to improving the privacy and security of personal information and notes the Department's robust frameworks and standards that incorporate privacy into project planning and delivery.<br><br>Implementation Approach<br><br>The Department will undertake appropriate privacy assessments as part of the implementation process for any recommendation involving the handling of personal information. As noted by the Review Panel, this is already part of the Department's Project Management Framework and Standards. |

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| 7. It is recommended that delegations within HPOS should require renewal every 12 months, with a warning to providers and their delegates three months before the delegation expires. | **Agreed.**<br><br>Statement<br><br>The Government recognises the importance of delegate arrangements to health professionals, but agrees with the Panel's view that the delegate function would benefit from additional security enhancements.<br><br>The Department of Human Services will ensure that any change to the delegate arrangements will minimise the administrative burden on health professionals.<br><br>Implementation Approach<br><br>Work has commenced to implement this recommendation, and this change will be introduced within HPOS in the second half of 2018.<br><br>The Department will communicate the changes to health professionals through its usual information channels. |

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| 8. It is recommended that batch requests for Medicare card numbers through HPOS should be more tightly controlled (50 card numbers per batch request, and only one batch request per day), unless healthcare providers apply in writing to the Chief Executive Medicare, demonstrating a clear business need for a higher limit. | **Agreed.**<br><br>Statement<br><br>The Government recognises that there are exceptional circumstances in which the ability to search for multiple Medicare card numbers may be required.<br><br>The Government acknowledges that consultation will be required with regular users in order to implement this recommendation with minimal impact.<br><br>Implementation Approach<br><br>The Department of Human Services has commenced work to implement this recommendation, with changes to be implemented in the second half of 2018.<br><br>As part of the implementation process, the Department will engage with the small number of healthcare providers that are regular users of batch requests (generally large hospitals and centralised administrative centres) to ensure that they are aware of the new limits and have an opportunity to implement changes to their administrative practices.<br><br>The Department will introduce a new process for healthcare providers to apply for a higher limit, and prepare guidance on what would constitute acceptable justification. The Department will also develop policies that identify circumstances in which the Government or the Chief Executive Medicare may allow a higher limit on their own motion, such as in the case of an emergency or natural disaster.<br><br>The Department will communicate the changes to health professionals through its usual information channels. |

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| 9. It is recommended that authentication for HPOS should be moved from Public Key Infrastructure (PKI) to the more secure Provider Digital Access (PRODA) expeditiously, with the transition completed within three years. | **Agreed.**<br><br>Statement<br><br>As noted by the Review Panel, the Department of Human Services has already commenced transitioning HPOS authentication from PKI to PRODA, and in response to this recommendation will accelerate this process.<br><br>Implementation Approach<br><br>The transition will be implemented in stages. The Department has already ceased issuing PKI individual certificates where PRODA provides the required functionality, and is actively encouraging health professionals to revoke their PKI certificate once they have established a PRODA account.<br><br>Stages of the transition will include:<br><br>- Revoking existing PKI certificates for deregistered health professionals, for health professionals with duplicate certificates and for health professionals who hold a PRODA account<br>- Ceasing renewals for PKI individual certificates<br>- Eventual revocation of all existing PKI individual certificates<br>- Eventual revocation of all existing PKI site certificates.<br><br>There will be communication and engagement with stakeholders throughout the planning and implementation of the transition process.<br><br>The Department aims to transition 85 per cent of all PKI individual certificates within 18 months. The Department will transition the remaining PKI individual certificates and all PKI site certificates by December 2020. |

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| 10. It is recommended that HPOS accounts that have been inactive for a period of six months should be suspended, following a warning to users after three months of inactivity. | **Agreed.**<br><br>Statement<br><br>The Government supports the Panel's recommendation that inactive HPOS accounts should be suspended in order to minimise risk of inappropriate use. The Government also notes the feedback in relation to this recommendation highlighted in the Final Report and will work with peak bodies to ensure the notification period is sufficient.<br><br>Implementation Approach<br><br>The Department of Human Services has commenced work to implement this recommendation, with changes to be implemented in the second half of 2018. The Department will communicate the changes to health professionals before and after the change through its usual information channels. |
| 11. It is recommended that the process of opening and reactivating a HPOS account should be administratively straightforward. | **Agreed.**<br><br>Statement<br><br>The Government notes the emphasis provided by peak bodies that recommendation 10 must not increase administrative burden on health professionals.<br><br>The Department of Human Services' process for opening or reactivating accounts will be streamlined to ensure no further documentation is required by health professionals who have already been authenticated.<br><br>Implementation Approach<br><br>The Department will review its current process before working with health professional groups to ensure the process is administratively straightforward. This recommendation will be implemented in conjunction with recommendation 10. |

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| 12. It is recommended that the Terms and Conditions for HPOS, PKI and PRODA should be simplified and presented to users in a form that ensures that they fully appreciate the seriousness of their obligations. | **Agreed.**<br><br>Statement<br><br>The Government recognises it is important for health professionals to fully understand and appreciate the Terms and Conditions for HPOS, PKI and PRODA in order to be aware of their obligations and responsibilities when interacting with the Department of Human Services and Medicare information.<br><br>Implementation Approach<br><br>Work has commenced to implement this recommendation. Updated Terms and Conditions will be published and promoted to health professionals in the first half of 2018. |
| 13. It is recommended that, in order to provide greater security and availability, the Department of Human Services should actively encourage health professionals to use HPOS as the primary channel to access or confirm their patients' Medicare card numbers, and that telephone channels be phased out over the next two years except in exceptional circumstances. | **Agreed in principle.**<br><br>Statement<br><br>The Government agrees with the intent of this recommendation, that HPOS should be the primary channel for health professionals accessing or confirming their patients' Medicare card numbers. Further work with the health sector will be required before implementing changes to the telephone channels.<br><br>Implementation Approach<br><br>The Department of Human Services already engages with health professional groups to identify current barriers for HPOS access and develop solutions to address these. These activities will be increased, and the Department of Human Services will continue to take a user-centred approach to resolving barriers to using HPOS and encouraging use of the digital channel, including user research.<br><br>The Department will undertake data collection about usage of its telephone channels, and consult with health professional groups to identify the circumstances in which access to the telephone channels is required.<br><br>Based on the results of this research and consultation, the Department will develop a strategy to minimise usage of the telephone channel without disadvantaging particular practices or vulnerable groups. This strategy would be implemented by the middle of 2018 with the aim of phasing out the telephone channel by mid-2019 in line with the recommendation. |

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| 14. It is recommended that, during the phasing down of the telephone channels, conditions for the security check for the release or confirmation of Medicare card information by telephone should be strengthened, with additional security questions having to be answered correctly by health professionals or their delegates. | **Agreed.**<br><br>Statement<br><br>The Government agrees with the Panel's view that the telephone line should not be closed immediately and recognises the importance of the telephone line in enabling health professionals to confirm Medicare eligibility where internet access is unavailable.<br><br>Implementation Approach<br><br>Work has commenced to implement this recommendation.<br><br>Internal processes will be updated to incorporate new security questions. These changes will be implemented in the first quarter of 2018.<br><br>The Government will provide early notification to health professionals about the changes through its usual information channels. |