

# Telehealth funding reforms must prioritise value for patients

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‘Telehealth should be supported and continued beyond the immediacy of the pandemic, but funding reforms are needed to ensure the extension of telehealth services focuses on delivering improved health outcomes and value,’ says Australian Healthcare and Hospitals Association (AHHA) Chief Executive John Gregg.

An issues brief, [Towards a sustainable funding model for telehealth in Australia](#), published today by the AHHA’s Deeble Institute for Health Policy Research examines how telehealth can be funded to achieve improvements in health outcomes in a cost-effective manner.

The rapid rollout of the telehealth program during the COVID-19 pandemic resulted in increased spending for new MBS items and ICT infrastructures according to the report’s author Michelle Tran, PhD candidate, University of Queensland and 2021 Jeff Cheverton Memorial Scholar.

‘More than two-thirds of health expenditure in Australia is publicly funded and financial sustainability is critical to ensuring current and future health care can be adequately funded.’

‘Telehealth funding models should encourage the shift from low-value to high-value care and offer the potential to slow unnecessary health expenditure growth,’ says Mr Gregg.

‘Shifting the focus of funding towards value and outcomes will also enable the system to manage costs more effectively while promoting quality of care.’

Trials of funding reforms such as add-on payments or bundled payment models that promote value-based, patient-centred care are recommended in this brief.

The brief also provides a series of recommendations to support the standardisation of telehealth, the ongoing monitoring and evaluation of telehealth care and outcomes and the reduction of unwarranted variation in care.

A potential contributing factor to the variation in telehealth care is the disproportionately high uptake of telephone consultations over video consultations.

The Australian Government has indicated that video consultations are the preferred substitution for face-to-face consultations yet despite this, 90% of telehealth consultations are delivered via telephone. Evidence also suggests that video consultations can be as effective as providing in-person care.

The brief recommends that funding reforms are needed to promote the use of video consultations while maintaining access to telephone services for communities with limited access to the internet.

[Towards a sustainable funding model for telehealth in Australia](#) is available [online](#). More information on AHHA and the Deeble Institute for Health Policy Research is available at [ahha.asn.au](http://ahha.asn.au). This media release is available [online](#).

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**The Australian Healthcare and Hospitals Association (AHHA) is the national peak body for public and not-for-profit hospitals, Primary Health Networks, and community and primary healthcare services.**