

Unlocking the value: AHHA welcomes recognition of digital technologies in health care

08 May 2023

The benefits of digital technologies in health care are clear from the research, but integration requires a place-based lens to ensure value is achieved.

AHHA welcomes the <u>paper</u> released by the Australian Government Productivity Commission today, highlighting the productivity gains from integrating digital technology in health care.

'While these technologies have been available for decades, wide-scale adoption continues to be challenged,' says AHHA CEO Kylie Woolcock.

The report identifies that governments have a significant role in facilitating this digital transformation, including through regulatory settings, digital infrastructure, coordination across jurisdictions and funding policy.

However, it also cautions that the ease with which these technologies can be rolled out risks a costly expansion of low-value services.

'Investments in digital technology need to drive value, and achieving this will not only require an understanding of the health outcomes being achieved and the costs of those achievements, but an understanding of the context in which those technologies are being applied,' Ms Woolcock continued.

'Digital technologies need to be integrated with care pathways at a local level. Too often we look to drive a one-size fits all approach. We need to support our governments in recognising where administrative efficiencies might be gained from national approaches, but also to understand the flexibility that is needed in the models of care that leverage technology.'

'Such flexibility might be around the workforce structures that enable implementation through to protecting equitable access across different population groups.

'We also need to be cognisant of considering the broader impacts of shifts to virtual care models. For example, with workforces that aren't co-located, there are likely to be complementary investments needed to ensure the workforce can connect and be supported informally, as what might happen in the tearoom.'

As the report states, integration 'will require careful calibration to get the incentives right, ensure subsidies only target high-value care, and manage the fiscal exposure of governments'. Change management will therefore be a critical part of the shift in models of care to embrace digital technologies.

'Value-based health care provides a framework that connects grassroots innovation to driving outcomes, not activity, as well as connecting such innovation to a better understanding of the policy levers that incentivise and disincentivise investment. The report highlights the economic imperative, now the system must come together to ensure the value,' Ms Woolcock says.

The online version of this <u>media release</u> can be found on the AHHA website. The Australian Healthcare and Hospitals Association (AHHA) is the independent peak membership body and advocate for the Australian healthcare system and a national voice for universally accessible, high-quality healthcare in Australia.





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This will be discussed more in an upcoming webinar hosted by AHHA in partnership with the Productivity Commission. Registration is available via the AHHA website.

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