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Dear Mr Moran

Reform of Australian Government Administration—Medicare Australia submission

On behalf of my organisation, I am pleased to present a submission to contribute to the Advisory Group's deliberations on reform of government administration.

In my previous role as Australian Public Service Commissioner, I gained a unique overview of the strengths and opportunities for improvement for the Australian Public Service. I have had an opportunity to look at service delivery challenges and opportunities as Medicare Australia's Chief Executive and as a member of the Human Services portfolio leadership group. In particular, I have gained a greater insight into how service delivery interacts with policy and how our public service does, and can, contribute to improved service delivery for the Australian people.

Medicare Australia has long been a leader in service delivery and administration. Over recent years, the agency has focused on increasing electronic claiming and payment options across the health and aged care sectors. Approximately 40 per cent of GP patient claims are now being made electronically from the doctor's surgery. We continue to strengthen these options through our work on new services such as the Energy Efficient Homes Package and Superannuation Clearing House. We also have a role in the development of key components of the COAG eHealth agenda, such as the health care identifier on behalf of the National E-Health Transition Authority.

Directing the business in this way required a comprehensive review of processes and workforce design and adjustment where necessary. This is an ongoing journey, and the opportunity to work across the public sector to reform administration is not one to be missed.

It is clear the APS, as the administration function for the Government, has to shift its thinking to continue to meet the needs of Australians in the 21st century.

The attached submission was developed by a group of EL2s from within Medicare Australia. This group has been identified as SES leaders of the future and are given opportunities to contribute their thinking and skills in a number of ways. The group designed a collaborative process to engage senior staff (SES and EL2s nationally) to develop input, and I am proud of the result. I am particularly impressed by their identification of solutions to what I see as the key issues:

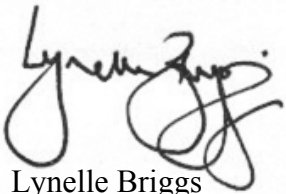
- cultural change to create effective intra and inter-governmental collaboration
- building an innovative, talented, mobile and value-based workforce

- use of emerging technologies to engage citizens in building services that match citizen preferences while delivering the policy intent.

The recommendations contained in this submission are informed by Medicare Australia's experience in delivering a wide range of government services to Australians, and through our relationships with our stakeholders including the health and aged care sectors, consumer advocates, software vendors, other government agencies and the public.

I commend this submission to the Advisory Group, and look forward to the outcomes of the Group's important work.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Lynelle Briggs', with a stylized flourish at the end.

Lynelle Briggs
Chief Executive Officer
27 November 2009



Australian Government

Medicare Australia

Submission on the Reform of Australian Government Administration

November 2009



Reform of Australian Government Administration Medicare Australia Submission

About Medicare Australia

Medicare Australia provides Australians with access to government payment and information services through convenient and efficient service delivery. It delivers services electronically as well as through the national Medicare office network. Medicare Australia contributes to the Australian health sector by supporting the development, implementation and administration of eHealth initiatives, in particular the Health Identifier service.

Medicare Australia also administers a range of non-health related services such as the LPG Vehicle Scheme, and by the middle of next year, the Superannuation Clearing House. Medicare Australia increasingly delivers these programs through third parties, as a result they are invisible to citizens.

When implementing government decisions, Medicare Australia leverages a range of valuable infrastructure in the design of services into the future, including:

- extensive demographic and program based information holdings
- a range of technology-enabled service delivery channels for the Australian public and healthcare professionals including face-to-face, telephone, email, internet, mail, self-service kiosks and claiming rebates at the doctor's surgery
- a single authoritative source of data for analysis and reporting purposes
- an administrative token—Medicare card
- gatekeeper-approved Public Key Infrastructure (PKI)
- business-to-government messaging infrastructure
- a well established process and long-standing reputation for upholding best practice privacy principles and securing information
- well established customer service protocols, with a recognised service reputation as evidenced by an average annual customer satisfaction rating of 93 per cent, and certification against the International Customer Service Standard (administered by the Customer Service Institute of Australia).

Reforming Australian Government administration—where to start?

A key starting place for considering the reform of Australian Government administration is to identify what the Australian public wants in its interactions with Government agencies.

The type of relationship citizens value with the Australian Public Service (APS) and governments across jurisdictions will define what the world's best public service is—in its structure, infrastructure, people capability and culture.

Service delivery in the 21st century

The APS potentially faces service delivery challenges if it is to respond effectively to citizen preferences into the next decade. To illustrate this, consider the differences between current and future service offers.



2005–2010: the traditional stove pipe approach to service delivery

Development of new services:

- little involvement of citizens or third party providers in the design of new services
- design of new services is often based on traditional methods (e.g. online forms that require printing, face-to-face delivery etc.)
- frequently, a divide between policy and service delivery and between individual policy and individual service delivery agencies.

Citizen access to Government services:

- face-to-face services in single agency offices with individual agency corporate identities
- each agency has a call centre with minimal transfer of citizens across agencies
- heavy reliance on paper
- some services invisibly provided through third parties (e.g. subsidies to prescriptions paid through the Pharmaceutical Benefit Scheme, counselling in Family Relationship Centres).

Emerging trends during this time:

- services of more than one agency starting to be co-located
- services for individuals and third parties increasingly available online
- increasing data matching between agencies
- increasing use of electronic tools to move APS work to trained staff
- disaster responses show coordinated multiple agency service delivery is possible.

2015–2020: multi purpose, multi agency approach to service delivery

Development of new services:

- citizens/third parties are intimately involved in the design and piloting of new services
- most new services are invisible to most citizens, most of the time
- reforms implemented in 2010 mean that policy and service delivery agencies jointly develop both policy and implementation strategy
- make use of new technologies to deliver integrated services through a single network of multi-purpose face-to-face services, one phone number and one web portal—or the new technological equivalent.

Citizen access to Government services:

- citizens see the many advantages of allowing their information to be exchanged amongst multiple Government programs/agencies and are increasingly providing consent for this to happen
- a single service arm of Government—such as *Government Services Australia*—provides seamless access to services with integrated multiple agency, face-to-face services available in co-located sites
- one phone call required for simple enquiries to a single customer service officer supported by superior IT tools, warm phone transfer of customers to complex issues managers specialising in particular programs
- web is the predominate channel, available everywhere to do anything with one *Government Services Australia* entry point tailored to the customer—initial screen would show items relevant to the customer's circumstance (e.g. services for the elderly in Hobart, Tasmania)
- minimal use of paper
- increasing numbers of government services delivered by third parties through eBusiness—invisible to most of the citizens.



Emerging trends during this time:

- cross jurisdictional service delivery is starting to be integrated including data sharing where individuals provide consent
- information may be provided to governments from third parties as chosen by the citizen (e.g. bank advises change of details to Government)
- case managers allocated to individuals who have complex needs or who are unable to self service—these managers may be government employees or other people who receive government funding to perform this role
- segmentation of customer groups promotes high quality, specialised services with greater efficiency.

What will service delivery become?

The 2015–2020 service delivery scenario leads to significantly enhanced citizen experiences of government services. Below are two examples of how it might apply.

Lyn's experience

Lyn has recently given birth to her fourth child. With all her pregnancies, Lyn has had a midwife supporting the majority of her antenatal care. As one component of her 28-week check up in 2019, the midwife asked Lyn whether she would like assistance with the new *Government Services Australia* maternity registration that covers all government jurisdictions. Together, they used the internet to update Lyn's personal portal for the services she wanted before and after the baby arrived.

When Lyn left work at 38 weeks, her employer electronically advised *Government Services Australia* and her maternity leave payment started.

Shortly after the safe arrival of baby Jai at the local birthing centre, Lyn and her partner completed electronic discharge papers, which included the information to register Jai's birth and activate the government and non-government services that Lyn pre-selected at registration.

From this activation, the following immediately occurred:

- a visit from the local community midwife was booked for each of the following three days
- Lyn's GP (who has access to her electronic health record) was informed and asked to start an electronic health record for Jai
- Lyn was advised that Jai had been registered with Medicare and allocated a Healthcare Identifier
- Government family and baby payments started
- the amount that Lyn's partner has to pay in child support to his former partner was reassessed
- a birth certificate was provided for Jai electronically.

Over the next weeks, Lyn received a series of emails and SMS messages including:

- reminders of Jai's immunisation needs with the details of local medical providers
- links to webcam advice lines for parents
- information on blogs, 'mashups' and community based support for new parents
- availability of government and non-government childcare places within her local area, along with the amount of financial support she would receive if she returns to work
- information on her local *Government Services Australia* offices should she wish to speak to someone in person.



Lee's experience

Lee has had a long battle with depression. For the last 12 months (since mid 2018), he has had a part-time job with *Ron's Electrical*, however both Lee and Ron have recently decided that Lee's current bout of depression is too severe for him to continue even part-time work.

In filling his online employment finalisation form, Lee ticks the *Notify Government Services Australia* box and provides the reason for his termination as severe depression.

Lee receives a range of notifications automatically, including:

- details of his local mental health team—who can access his electronic health record
- confirmation his child support assessment has been adjusted
- an appointment that has been made for Lee to attend his local *Government Services Australia* office for a discussion on what support he may need.

For Ron, the owner of the business, the lodgement of the employment finalisation form automatically adjusts his company tax and superannuation obligations.

When Lee attends his local *Government Services Australia* office, he talks with an individual support officer who determines that Lee should be allocated a case worker.

Gen, Lee's case worker, is employed by a local non-government agency that is contracted to provide services in these matters. Gen meets with Lee at a mutually convenient time. They discuss:

- his eligibility for various income support options
- his housing needs and access to other State Government support
- his views on approaching rehabilitation providers for assistance in becoming job ready again
- Lee's views on joining the non-government *beyondblue* initiative.

Gen also:

- makes an electronic appointment on Lee's behalf with his psychiatrist to assess his mental health needs as well as his eligibility for disability income support
- shows Lee how to access and customise Government Services Online support tools
- establishes a regular time when she will check in with Lee to provide ongoing support.

Implications for the APS from our vision of the future of service delivery

To deliver on this sort of people-focused future:

- there is a clear need to create one APS-wide culture to make the concept of *Government Services Australia* a reality (see **Recommendations 1–5 and 10–15**).
- the Government's processes must support and expect that policy and service delivery agencies collaborate effectively on policy and implementation (see **Recommendations 4 and 5**).
- genuine engagement with the customer, leveraging Web 2.0 technology to facilitate interactions is scrutinised. In addition, APS staff require the skills and attitudes that enable the design and implementation of integrated services, in partnership with citizens and third parties who deliver services on behalf of government (see **Recommendations 6–9**).

The following table provides Medicare Australia's recommendations to achieve the above for consideration of the Advisory Group on the Reform of Government Administration.



Recommendations

A values driven culture that retains public trust

<i>Where we are now (2009)</i>	<i>Recommendations</i>	<i>Where we want to be (2015–2020)</i>	<i>Links to other recommendations</i>
<p>The current values have limited resonance with the majority of APS people.</p> <p>There are too many values, and they are not in the language of the majority of staff.</p>	<p>1. Fundamentally shift the focus of the APS values to behaviours.</p> <ul style="list-style-type: none"> - Ensure these behaviours align to the values of citizens and the community. - Publicly report on internal and external perception of living the values. - Limit the number of behaviours to 5–7. - Test concepts and language with a broad cross section of APS staff. - APS leaders regularly reinforce the behaviours in the context of their work environment. 	<p>APS behaviours are the central foundation of APS culture.</p> <p>Behavioural alignment is required to be demonstrated by individuals during recruitment, promotion and performance review processes.</p>	
<p>Most employees identify more with their agency than the broader APS, leading to “stove pipe” cultures.</p>	<p>2. Introduce a <i>OneAPS</i> framework that includes:</p> <ul style="list-style-type: none"> - common employment conditions - common induction - common organisational and job nomenclature - single security clearance and photo identity processes - consistent and relevant policies and guidelines (e.g. acceptance of stakeholder hospitality) - common SES expectations about collegiate working and focusing on government outcomes. 	<p>The drivers of the <i>OneAPS</i> culture are stronger than the influences of individual agency culture.</p> <p>Employees identify more strongly with the APS than they do with particular agencies.</p>	<p>Relates to Recommendation 1.</p>
<p>Citizens have no single view of the standard of service they will receive from the Australian Government. Public trust in agencies is variable.</p>	<p>3. Create a <i>OneAPS</i> citizen service charter that links service delivery to APS behaviours.</p> <ul style="list-style-type: none"> - Creates transparency in citizen satisfaction. - Enshrines the role of the citizen in design and performance of service delivery. - Used to measure inter-agency and intra-agency customer service performance, and is internationally benchmarked. 	<p><i>OneAPS</i> is recognised and trusted by the public for its single service offer. It is internationally seen as ‘best in class’.</p>	<p>Relates to Recommendation 1.</p> <p>Linked to a <i>OneAPS</i> feedback register—see Recommendation 9.2.</p>



High quality forward looking and creative policy advice

<i>Where we are now (2009)</i>	<i>Recommendations</i>	<i>Where we want to be (2015–2020)</i>	<i>Links to other recommendations</i>
<p>There is no clear vision of what will be the service delivery approach of 2015, to inform 2009 policy development.</p>	<p>4.1 Develop a vision for service delivery in the next decade and ensure that new policy delivery aligns with this vision.</p> <p>4.2 Further to the notion of policy hubs outlined in the discussion paper:</p> <ul style="list-style-type: none"> - form multi-skilled teams that include policy and implementation representatives that work together, keeping the policy intent and the customer experience at the forefront as they develop policy and implementation solutions - hubs use concepts and tools available from other disciplines such as integrated design, using natural systems and architecture driven solutions - Web 2.0 technology is used to create ongoing dialogue within and between hubs. <p>4.3 To support effective policy development, create a culture of effective working relationships within the APS, especially at the EL levels in policy and service delivery agencies, by:</p> <ul style="list-style-type: none"> - offering short-term secondments - development courses¹ - innovation days—policy, service delivery and corporate representatives come together to develop creative proposals that inform budget initiative development. 	<p>Across the APS there is a common understanding of how citizens want their services delivered.</p> <p>APS leaders equally value policy and service delivery perspectives.</p>	
<p>The stove pipe culture across the APS diminishes citizen convenience, and the benefit experienced from many new Government initiatives.</p> <p>Often the non-legislated program rules prevent a positive end-to-end citizen experience.</p>	<p>5.1 Policy and service delivery go to the citizen and extensively workshop the customer experience that citizens want around key life experiences (e.g. birth of a child, becoming unemployed).</p> <p>5.2 New policy announcements should include the proposed implementation strategy including how the citizen will be involved in design.</p>	<p>Policy and service delivery officers work with citizens to develop and improve services that have a demonstrated impact on improving Australian lives.</p>	<p>Relates to Recommendation 8.</p>



High quality, effective programs and services focused on the needs of citizens

<i>Where we are now (2009)</i>	<i>Recommendations</i>	<i>Where we want to be (2015-2020)</i>	<i>Links to other recommendations</i>
<p>Citizens/third parties are required to spend time and energy navigating the confusing array of services across three levels of government.</p> <p>There is increasing frustration at limited web functionality and complex red tape in many processes.</p>	<p>6. Look for opportunities for services to be invisibly provided through third parties (e.g. as is currently the case for the Pharmaceutical Benefit Scheme), or at point of service (in a similar way to private health insurance instant rebates at the dentist).</p>	<p>Government services are largely invisible and easy to interact with. Support is available in ways that are most convenient to the citizen, with a primary focus on the web.</p>	
<p>Governments hold significant silos of data relating to the citizen, in each program. Privacy and security constructs restrict data sharing that would enable better citizen service.</p>	<p>7.1 Introduce a ‘tell us once, share many’ approach. Individuals give their consent for information such as addresses and bank account details to be shared across all levels of government.</p> <p>7.2 Government information repositories use their intelligence to anticipate the services an individual needs, and informs them of their entitlement² (e.g. information on free H1N1 vaccine emailed with details of participating local providers by postcode).</p>	<p>Citizens see the many advantages of providing consent for information being shared across interconnected government (e.g. cross-jurisdictional databases).</p> <p>Where a citizen or third party needs Government advice or information, this is provided through single entry points (e.g. face-to-face, phone or web), each with cross-jurisdictional functionality.</p> <p>Citizens will increasingly use the most cost effective channel through inducements to change behaviour (e.g. education on how to use the web).</p>	<p>Relates to Recommendation 15.2.</p>
<p>Often citizens/stakeholders are consulted, but not engaged in service delivery design.</p> <ul style="list-style-type: none"> - Twentieth century consultation methods (e.g. fly to a workshop in Canberra). - Expertise not always fully valued. - Generally consulted in only one phase of design. 	<p>8. Use of Web 2.0 technology to co-design and co-produce new services—online forums, web cam meetings etc used to provide inexpensive, real time end-to-end involvement, continuous improvement and prototype testing.</p>	<p>Citizen input is a central part of the design and implementation of every service.</p>	<p>Relates to Recommendation 4.2.</p>
<p>Agency-centric customer feedback mechanisms that:</p> <ul style="list-style-type: none"> - are not always transparent - are generally complaints/compliments focused - have the potential for customer issues to fall ‘between the cracks’. 	<p>9.1 Create a single, cross-government independent customer satisfaction measurement process³.</p> <ul style="list-style-type: none"> - Creates transparent national and international benchmarks. - Enables agencies to work together on common issues, and ensures all issues are addressed. <p>9.2 Create a <i>OneAPS</i> feedback register:</p> <ul style="list-style-type: none"> - focused on how service can be improved - that maximises the use of data collected - enabling maximum transparency around the customer experience. 	<p>Overall customer satisfaction performance and issues resolution reported in Parliament annually by the Prime Minister.</p> <p>Citizens can see their feedback and the Government response through a single transparent mechanism.</p>	<p>Relates to Recommendation 3.</p> <p>Results / data could inform the work of policy hubs per Recommendation 4.2.</p>



Flexibility and Agility

<i>Where we are now (2009)</i>	<i>Recommendations</i>	<i>Where we want to be (2015-2020)</i>	<i>Links to other recommendations</i>
<p>No strong evidence of consistent planning for the workforce changes that will occur over the next decade:</p> <ul style="list-style-type: none"> - tightening labour market - different expectations of tech-savvy job market entrants - new job types that emerge with new service delivery models. 	<p>10.1 Establish a <i>OneAPS</i> approach to workforce planning, addressing:</p> <ul style="list-style-type: none"> - job design for future needs that maximises opportunities made possible through Web 2.0 technology - an ageing workforce and tightening labour market - the need for employees to match customer to services, irrespective of who runs the services - expectations of highly tech-savvy future generations. <p>10.2 Develop a contemporary approach to recruitment and selection processes that is flexible and real time, for example:</p> <ul style="list-style-type: none"> - a Seek.com.au type model - abolish appeals for APS1–6 appointments. <p>10.3 Maximise the capability of <i>OneAPS</i> through:</p> <ul style="list-style-type: none"> - decentralising roles, supported by new technology - a whole of APS approach to creating career paths for Indigenous Australians - maintaining contact with retirees through alumni programs that offer short-term and/or part-time employment opportunities. 	<p>Our workforce planning maximises available talent and resources across Australia.</p> <p>Our flexible, tech-savvy approach is matched to changing customer and government requirements.</p>	<p>Relates to Recommendation 2.</p>



<p>Australian cultural cringe against tall poppies means that systemic talent identification and development rarely occurs.</p>	<p>11.1 Create a career development college that:</p> <ul style="list-style-type: none"> - fosters talent and formally assists with the career development of high potential EL2 staff (may be extended to other levels following establishment) - sponsors cross-sector/jurisdiction placements - fosters a culture of skilled mentoring - is linked to universities - is centrally funded to ensure equitable access - has a strong focus on developing strategic thinking in future senior leaders. <p>11.2 High performers are identified for short-term/high priority government work (may include government responses to emergencies/disasters).</p>	<p>The APS has a culture where talent identification and development is as valued as budget management in the performance of managers.</p>	<p>Relates to Recommendation 2.</p>
<p>Investment in the development of solid performers and their successors is diminished by regular fiscal tightening.</p>	<p>12. Agency expenditure on people development is reported annually with a minimum commitment per officer.</p>	<p><i>OneAPS</i> is an employer of choice with a strong reputation for developing great leaders.</p>	
<p>Breadth of experience amongst senior public servants varies greatly. There is regular promotion of people who have no experience beyond their own agency/portfolio.</p>	<p>13. Create a culture where mobility across agencies (e.g. every five years) is an essential component of career advancement into senior levels.</p> <ul style="list-style-type: none"> - SES officers are expected to have experience in at least two major functions (e.g. service delivery, policy, regulation and/or corporate). Cross-jurisdictional and community sector experience is highly regarded. 	<p>Organisational structures and systems facilitate and reward movement between service delivery, policy and corporate functions, as well as across jurisdictions.</p>	



<p>Graduate programs are highly valued. They are Canberra-centric and provide single agency enculturation.</p>	<p>14. Recruit graduates initially in portfolio clusters (such as Human Services), then into a whole of APS program.</p> <ul style="list-style-type: none"> - Promote graduate roles outside Canberra. - Two-year program with six-monthly placements and a standard APS graduate diploma. - Web 2.0 social networking of graduates nationally, enabling sharing experiences between locations and agencies. 	<p>Graduates are attracted to the APS in roles across Australia by the excellent career management, development systems and highly varied job opportunities.</p>	<p>Relates to Recommendation 2.</p>
<p>The efficiency dividend stifles proactive investment in research and innovation.</p>	<p>15.1 Reinvest a portion of the efficiency dividend into the continued move to <i>OneAPS</i>.</p> <ul style="list-style-type: none"> - Supports research for best practice. - Access to this pool of funds would require evidence of collaboration across APS/jurisdiction/sector. - Demonstration of benefits realisation is also required. <p>15.2 Invest a portion of the efficiency dividend into educating citizens on how to effectively use efficient (self-help) government services.</p>	<p><i>OneAPS</i> is internationally recognised for its collaborative innovation and commitment to continuous improvement.</p>	<p>Relates to Recommendation 7.2.</p>

¹ Medicare Australia offers a one-week *Knowing the Business* development course internally, and to colleagues in related policy agencies. This involves experiencing call centre and shopfront environments, witnessing the day-to-day of service delivery as well as policy in action. It provides a tangible view of the application of policy and its implications for citizens.

² Medicare Australia holds health and demographic information on almost every Australian. In developing service delivery solutions for the Government's Superannuation Clearing House, the agency will soon also have the employment information for many working Australians. If cross-referenced, this data could be a powerful resource for governments in predicting and responding to the needs of working Australians. This is one example of how data repositories could be used into the future.

³ Cross government satisfaction measurement interconnected with a *OneAPS* feedback register provides the opportunity to better inform process design, and when linked to citizen-centric service delivery policy, provides a holistic platform for the development of invisible government services.



Conclusion

To enact many of the recommendations in this submission, a major cultural change across the APS is required—including at the top. This is a daunting task, however we are confident that the public sector can work effectively across jurisdictions, with a single aim, overcoming the silos and blockers and putting citizens at the centre of our thinking.

Over the last five years, Australians have experienced a number of disasters and, with each, the public sector has become more responsive and more able to meet the needs of the individual person at the time of crisis. With the response to the 2009 Victorian bushfires, we saw:

- cross-jurisdictional, cross-sector teams working side by side
- rules that prevent improved customer outcomes being set aside (through flexible provisions in legislation)
- a single aim of citizen centric service delivery.

Imagine an Australia where these attitudes and practices were the norm, without the need for crisis.